

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

Memorandum

AND

Articles of Association

MADHUSUDAN INDUSTRIES
LIMITED



Co. No. 443

Fresh Certificate Of Incorporation Consequent On

CHANGE OF NAME

In the matter of The Registrar of Companies, GUJARAT
[Under the Companies Act, 1956 (1 of 1956)]

IN THE MATTER OF MADHUSUDAN VEGETABLE
PRODUCTS COMPANY LIMITED

I hereby certify that MADHUSUDAN VEGETABLE
PRODUCTS COMPANY LIMITED

which was originally incorporated on 21st AUG. '45
under The Companies Act, 1956 and under the name

MADHUSUDAN VEGETABLE PRODUCTS CO. LTD.
having duly passed the necessary resolution in terms of Section
21(34) of The Companies Act, 1956 and the approval of the
Central Government signified in writing having been accorded
thereto in The Ministry of Industry, Department of Company
Affairs, (Company Law Board) on:

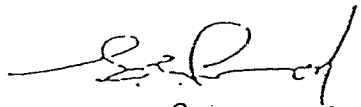
vide letter No: 443 / TA dated 9TH-DEC '1987
the name of the said Company is this day changed to:

MADHUSUDAN INDUSTRIES LIMITED

and this certificate is issued pursuant to Section 23(1) of the
said Act.

Given under my hand at AHMEDABAD this 9TH DEC
1987 (One Thousand Nine Hundred Eighty SEVEN)




(S. C. Chptey)
ASSTT. REGISTRAR OF COMPANIES
GUJARAT

• Certified English Version

. Shree

Company Registration No. 382/74M

(For Custody in Office)

FORM No. GH

See Rule No. 54

SEAL

CERTIFICATE OF INCORPORATION

Pursuant to the Provisions of the Companies Act, 1918 of Baroda State.

Certified that MADHUSUDAN VEGETABLE PRODUCTS COMPANY LIMITED at RAKHIAL, Province: MEHSANA is this day Incorporated under the Companies Act, 1918 of Baroda State and that the Company is limited by shares given under my signature at BARODA on this TWENTY SEVENTH day of AUGUST One thousand nine hundred and FORTY FIVE.

Signature of the
Receiver

Sd/- Illegible
Registrar of Companies
BARODA

Certified English Version

FORM No. D

CERTIFICATE FOR COMMENCEMENT
OF BUSINESS

(Pursuant to Section 152 of Companies Act 1918 : Baroda State)

Certified that MADHUSUDAN VEGETABLE PRODUCTS CO. LTD.
which was incorporated under Section 23 of the Companies Act, 1918
of Baroda State on 27TH AUGUST, 1945 and which was this day filed
a duly verified declaration in the prescribed form that the conditions of
Section 110 to 112 of the said Act have been complied with, is entitled
to commencement business.

Given under my Signature at BARODA this 28TH day of
FEBRUARY One thousand nine hundred and Forty Six.

Sd/- Illegible

Register of Companies
BARODA

Receiver's Sd/-

MEMORANDUM OF ASSOCIATION
OF
MADHUSUDAN INDUSTRIES LIMITED

- I. The name of the Company is "MADHUSUDAN INDUSTRIES LIMITED."
- II. The registered office of the company will be situated in the State of Gujarat
- III. The objects for which the company is established are:—
 1. To carry on the business of pressing and crushing oil seeds and of refining oils, converting oils into Vanaspathi ghee and other products and from any refuse so to be obtained or from other materials to manufacture soaps, glycerine, grease, candles, or other materials.
 2. To carry on the business of extracting oil and/or other products either by crushing or by chemical or any other processes from Til-seeds, Cotton seeds, linseeds, castorseed, groundnuts, rapeseed, Copra, mohuda-seeds or any other nut or seed or other oil bearing substance whatsoever.
 3. To carry on the trade or business of seed crushers and manufacturers of linseed, cotton, groundnut and other seeds oil cakes, oil extractors and oil manufacturers, oil refiners, manufacturers of cattle foods of every description and manufacturers of manures and fertilizers of all kinds.
 4. To manufacture and deal in hydrogenated oils, vegetable ghee and butter-substitutes, glycerine, lubricating oils, greases, boiled oils, varnishes and all other kinds of oil and oil preparations and particularly to carry on the business of manufacturers and dealers in all kinds of oils, oil-seeds and oil-products and the cultivation of oilseeds and the business of buyers, sellers and dealers of all oil seeds and oil products.
 5. ~~_____~~
 6. To construct, equip, and maintain Mills, Warehouses, Godowns and any other convenience or erections suitable for any of the purposes of the company.
 7. To erect, purchase or take on lease, or otherwise acquire any mills, works, machinery and any other real and personal property appertaining to the goodwill of, and any interests in the business of refining and hydrogenating vegetable and other oils and vegetable products.

8. To exchange, sell, convey, assign or let on lease or lease the whole or any part of the company's immovable property and to accept as consideration for, or in lien thereof, other land, or cash or Government securities guaranteed by Government or partly the one and partly the other or such other property or securities as may be determined by the company, and to take back or re-acquire, any property so disposed off by re-purchasing or leasing the same for such price or prices and on such terms and conditions as may be agreed on.
9. To carry on business of manufacturers, refiners, importers of, and dealers and merchants in Copra, Cotton-seeds, linseeds, castor-seeds, groundnuts, and any other nut or seeds or oil bearing substance whatsoever and oils, cakes manufacture therefrom, makers and manufacturers of cattle food and feeding and fattening preparations of any description, makers and manufacturers of manures and fertilizers of every description and millers and flour merchants.
10. To carry on all or any of the business of soap and/or candle makers, Margarin, Varnish and paint manufacturers, tallow merchants, chemists, drysalts, oil merchants, funders manufacturers of dyes, paints, chemicals and explosives, tin-smiths box and packing case makers and manufacturers of and dealers in pharmaceutical, chemical, medicinal and other preparations or compounds, perfumery and other such articles of every description.
11. To buy or otherwise acquire any oil or manure mills situate in India, Ceylon or elsewhere and all property and rights in connection therewith.
12. To manufacture, buy, sell or otherwise deal in paints, colour, pigments, enamels, varnishes, oils, ayeware, paint and colour grinders of all kinds, description, quality and nature and makers of and dealers in proprietary article of all kinds and of electrical, chemical, photographic, surgical scientific and mechanical apparatus, instruments, appliances and materials.
13. To buy, sell, manufacture, refine, prepare and deal in all kinds of oil and oleaginous and saponaceous substances and of all kinds of unguents and ingredients, essences, scents and soap and articles of toilets.
13. (A) To buy or sell in Visa or ready delivery all kinds of Oil seeds, all kinds of Oils, Oil Cakes and Cotton.
14. To carry on all the business of waterproofers and manufacturers of India rubber, leather, imitation leather, cloth plastics, oil cloth, Linoleum, Tarapaulins, hospital sheeting and surgical bandages.
15. To carry on the businesses of spinners, doublers and manufacturers of cotton, thread, silk, artificial silk, woollen, linen, flax, hemp, jute and other yarns and other fibre materials and substances or any substitute for any of them.

16. To cultivate, grow, produce or deal in any vegetable products for the time being required for any of the manufacturers which the company is authorised to undertake, and to carry on all or any of the businesses of farmers, dairymen, milk contractors, dairy farmers, millers, surveyors and vendors of milk cream, cheese, butter, poultry and provisions of all kinds and to purchase land for any of the said purposes.
17. To own, prospect for, explore, acquire by lease, license, purchase or otherwise, open, work, develop and maintain natural deposits of salt, brine, natron, soda kieselguhr nitrates and other chemical substances of all kinds and to carry on and conduct the business of working and getting and to supplying to persons such salts, brine and other substances.
18. To refine, treat and render merchantable and fit for use deposits of salt, brine natron, Soda, Kieselguhr nitrates and other chemical substances of all kinds obtained as aforesaid and to manufacture therefrom by any electrolytic metallurgic or other forms of plant and process every kind of chemical and other products and by-products.
18. (A) To produce, manufacture, refine, prepare, process, purchase, sell, import, export, or generally deal in sand, stone, marble tiles, China wares, sanitary materials including vitreous China sanitarywares of all types, crockery, refractories, fire bricks, ceramics, plaster of paris, pottery, insulators, tiles, glass, hollow-ware, optical glass, glass wool, laboratory ware and other miscellaneous glass ware, linoleum, pipe tubes, tubular structures, paints, adhesives, sheets, roofings, glass furniture fittings plumbings, electrical goods, water supply or storage equipments, floor polish, door closers, concrete mixers, elevators and building or decorative materials made of cement, asbestos, stone, clay, timber, teak, board, fibre, paper, glass, rubber, asbestos, plastic or other natural or synthetic substance or chemical.
18. (B) To prospect for, examine, explore, win, get, quarry smelt, elcinc, refine, crush and grind, dress, amalgamate manipulate and prepare for market, purchase, sell or deal in ores, metals, and minerals of all kinds, and to carry on any other prospecting, mining or metallurgical operations and to buy, sell, manufacture and deal in minerals, plant, machinery, implements, conveniences, provisions and things capable of being used in connection with prospecting, mining or metallurgical operations.
18. (C) To manufacture, produce, buy, sell, export, import and stock and deal in machinery and plant, machine tools, implements, small tools, cutting tools garage tools, components, parts, accessories, require for the objects and purposes of the business.
19. To sell or dispose off for cash or on credit or to contract for sale and future delivery of, or to send for sale to any part of India or elsewhere all articles and things & also all other produce whatsoever of the company.

20. To extend business of the company from time to time by purchasing or taking on lease or otherwise acquiring any lands, (whether freehold, leasehold or otherwise) with or without buildings and machinery standing thereon situate anywhere in India; by erecting Mills or other buildings and on such lands by purchasing or taking on lease or otherwise acquiring the business, goodwill and property of any private Ginning and pressing factory or other factory situate anywhere in India; and by amalgamating with or purchasing or otherwise acquiring the business, goodwill, property and assets of any one or more joint stock company or companies carrying on any similar business anywhere in India or elsewhere.
21. To extend the business of the company by adding, altering or enlarging from time to time all or any of the buildings, premises, and machinery for the time being the property of the company; also by erecting new or additional buildings, on all or any of the lands or premises for the time being the property of the company; and also by expanding from time to time such sums of money as may be in the opinion of the directors necessary or expedient for the purpose of improving, adding to, altering, repairing, and maintaining the buildings, machinery and property of the company.
22. To undertake the payment of all rent and the performances of all the covenants, conditions and agreements contained in and reserved by any lease that may be granted or assigned to or be otherwise acquired by the company.
23. To purchase the reversion or reversions or otherwise acquire the freehold or freesample of all or any part of the lands for the time being held under the lease, or for an estate less than a freehold estate by the company.
24. To carry on any other trade or business whatsoever as can, in the opinion of the company be advantageously or conveniently carried on by the company by way of extension of or in connection with any of the company's business or as calculated directly or indirectly to develop any branch of the company's business or to increase the value of or turn to account any of the company's assets, property or rights and particularly to acquire forest products; forest timber, and to establish Saw Mills and Dal factories, etc.
25. To acquire by concession, grant, purchase, barter lease, license or otherwise any tract or tracts of country, in India or elsewhere together with such rights as may be agreed upon and granted by governments or the rulers or owners thereof and to extend such sums of money as may be deemed requisite & advisable in exploration, survey and development thereof.
26. To acquire by concession grant purchase amalgamation, barter lease, license or otherwise either absolutely or conditionally and either solely or jointly with others, any houses, lands, farms, quarries, waterrights, way leaves, and other works, privileges, rights and hereditaments and any machinery plant, utensils, trademarks and other moveable and immoveable property of any description.

27. To carry on the business of tin maker, tin manufacturers, tin converters, colliery proprietors, coke-manufacturers, miners, smelters, engineers, tin-plate makers and iron founders in all their respective branches.
28. To acquire and take over whole or any part of the business property and liabilities of any one person or persons firm or corporation carrying on any business which this company is authorised to carry on or possessed of any property or rights suitable for the purpose of the company.
29. To search for and to purchase or otherwise acquire from any Governments, state or authority any licenses, connections, grants, degrees, rights, powers and privileges whatsoever which may seem to the company capable of being turned to account and in particular any water rights or concessions either for the purposes of obtaining motive power or otherwise and to work, develop, carry out, exercise and turn to account the same.
30. To carry the business of a general electric power supply company in all its branches, and to construct, lay down, establish, fix and carry out all necessary power-stations, cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity, and to light cities, towns, streets, docks, markets, theaters, buildings, and places, both public and private.
31. To acquire the right to use or manufacture and to put up telegraphs, telephones, phonographs, dynamos, accumulators, and all apparatus not known which may hereafter be invented in connection with the generation accumulation, distribution, supply and employment of electricity, or any power that can be used as a substitute therefor, including all cables, wires or appliances for connecting apparatus, and including the formation of exchanges or centres.
32. To carry the business of an electric engineers and contractors, suppliers of electricity, carriers of passengers and goods, electric manufacturers of and dealers in Railway, tramway, electric, magnetic, galvanic and other apparatus, mechanical engineers, suppliers of lights, heat, sound, and power and to acquire any inventions, etc. and to construct railways and tramways and work the same by steam, gas, oil, electricity, or other power.
32. (A) To provide technical know-how in India and abroad which likely to assist in the manufacture of goods or the processing of materials or in the installation or erection of plant or machinery for such manufacture or processing including providing technological, design, installation and erection information and to render engineering, technical, management and various types of skilled and other services, to all types of business, trade and industry or other organisation.
32. (B) To investigate, advise or act as promoters, consultants and representatives and to carry out improvements and research work or in respect of market or demand studies, pre-investments studies.

preparation of project reports, aimed at assisting the techno-economic viability of a project for the purpose of investment decisions or for the purpose of supporting applications for assistance from financial or other institutions, evaluation and reappraisal of such studies and reports as well as know-how relating to management, organisation, sales, finance, and accounts, office, advertising, computerisation, secretarial and taxation matter, business methods and operations etc., warehouse, wholesale and retail stores, factories, industrial stores, mines and other business and work including civil construction and supply and erection, installation, and commissioning of plant or machinery on a turnkey basis.

33. To carry on all/or any of the business of lithographers, printers, publishers and stationers.
34. To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on all scientific and technical researches, experiments and tests of all kinds and to promote studies and research both scientific and technical, investigation and invention by providing, subsidising, endowing or assisting, laboratories, workshops, libraries, lectures, meetings and conferences and by providing the remunerations or scientific or technical professor or teachers, and by providing for the award of exhibition scholarships, prizes, grants, and bursaries to students or independent students or otherwise, and generally, to encourage, promote and reward studies, researches, investigation, experiments and invention of any kind that may be considered likely to assist any of the business which the company is authorised to carry on.
35. To erect, construct, enlarge, alter and maintain buildings and structures of every kind necessary or convenient for the company's business.
36. To acquire, be interested in, construct, maintain, carry out, improve, work, alter, control, and manage any railways, steam boats, roads, tunnel, water work, canals, irrigation works, gas works, water sources, furnaces, stamping works, factories and all other works and conveniences which the company may think conducive to any of its objects, and to contribute to and take part in the constructing, maintaining, carrying on, improving, working, controlling and managing of any such works or conveniences.
37. To apply for purchase or otherwise acquire any patents, brevets, inventions, licenses, concessions and the like, conferring an exclusive or non-exclusive or limited right to use, any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit this company and to use, exercise develop or grant licenses in respect of or otherwise turn to account the property rights and information so acquired.
38. To acquire from time to time and to manufacture and deal in all such stock-in-trade goods, chattels and effects as may be necessary or convenient for any business for the time being carried on by the company.

39. To enter into any partnership or any agreement for sharing profits, union of interests, joint adventures, reciprocal concession or otherwise with any persons or corporation carrying on or engaged in or about to carry on or engage in any business or enterprise which this company is authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company and to take or otherwise acquire and hold shares or stock in or securities or and/or subsidise or otherwise assist any such company and sell, hold, re-issue with or without guarantee or otherwise deal with such shares, stock or securities.
40. To purchase or otherwise acquire all or any part of the business, property and liabilities of any person, company, society or partnership formed for all or any of the purposes within the objects of the company and to conduct and carry on/or liquidate and wind up any such business.
41. From time to time to subscribe, or contribute to any charitable, benevolent, or useful object of a public character the support of which will, in the opinion of the Company tend to increase its repute or popularity among its employees, its customers or the public.
42. To promote any company or companies for the purpose of acquiring all or any of the properties, rights and liabilities of this company or for any other purpose which may seem directly or indirectly calculated to benefit this company.
43. Generally to purchase, take on lease, or in exchange, hire or otherwise acquire any real and personal property and any rights and privileges which the company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easement, machinery, plant and stock-in-trade.
44. To construct, maintain, alter, improve and enlarge any buildings or works necessary or convenient for the purpose of the company.
45. To invest and deal with the moneys of the company not immediately required in shares, stock, bonds, debentures, obligations, or otherwise securities of any joint stock company or association or in Government securities or in deposit with banks or in any other manner as may from time to time be determined.
46. To lend money to such persons and on such terms as may seem expedient and in particular to customers and others having dealings with the company and to give any guarantee or indemnity as may seem expedient.
47. To borrow or raise or secure the payment of money by mortgage or by the issue of debentures or debenture stock perpetual or otherwise, or in such other manner as the company shall think fit and for the purposes aforesaid to charge all or any of the company's property or assets present and future, including its uncalled capital and collaterally further to secure any securities of the company by a trust deed or other assurance and to redeem purchase or pay off any such security.

48. Upon any issue of shares, debentures and other securities of the company, to employ brokers, commission agents and underwriters and to provide the remuneration of such persons for their services by payment in cash, or by the issue of shares, debenture or other securities of the company, or by the granting of options, to take the same, or in any other manner allowed by law.
49. To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, hundies, bills of lading, warrants, debentures and other negotiable or transferable instruments.
50. To sue or dispose of the undertaking of the company of any part thereof in such manner and for such condition as the company may think fit, and in particular for shares (fully or partly paid up) debentures stock or securities of any other company whether promoted by this company for the purpose or not and to improve manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company.
51. To adopt such means of making known the production of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of the works of art and interest, by publication of books and periodicals by granting prizes, rewards and donations.
52. To buy, sell, manufacture, refine, manipulate, import, export and deal both wholesale and retail in commodities, substances, apparatus articles and things of all kinds capable of being used or which can conveniently be dealt with by the company in connection with any of the objects.
53. To transact and carry on all kinds of Agency business and to act as Managing Agents of any Company or concern.
54. To carry on any other trade or business, whether of manufacturing or otherwise, which may seem to the company capable of being carried on in connection with any of the company's objects, or calculated directly or indirectly to enhance the value of or to render profitable any of the company's property or rights.
55. To be interested in, promote, and undertake the formation and establishment of such institutions, businesses or companies, industrial, agricultural, trading, manufacturing or otherwise as may be considered conducive to the profit and interest of the company and to carry on any other business (industrial, agricultural, trading manufacturing and other) which may seem to the company capable of being conveniently carried on in connection with any of these objects or otherwise calculated directly or indirectly to render any of the Company's properties or rights for the time being profitable and also to acquire, promote, aid, foster, subsidise or acquire interest in any industry or undertaking.
56. To amalgamate with any Company or Companies having objects altogether or in part similar with those of this company.

57. To pay for any properties rights or privileges acquired by the Company or partly in shares and partly in cash and otherwise.
58. To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the company and the issue of its capital including any underwriting or other commissions, brokers fees and charges in connection therewith and to remunerate or make donation to (by cash or other assets or by the allotment of fully or partly paid up shares or by a call or option on shares debentures, debenture stock or securities of this or any other Company, or in any other manner, whether out of the company's capital or profits or otherwise) any person (firm or Company) for services rendered or to be rendered in introducing any property or business to the company or in placing or assisting to place or guaranteeing the subscription of any shares, debentures, debenture stock or other Securities of the Company, or in or about the formation or promotion of the Company or for any other reason which the Company may think proper.
59. To enter into arrangement with any Government or authorities municipal, local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such Government or authority, any rights, privileges and concessions, which the Company may think, it desirable to obtain and to carry out execute and comply with any such arrangements, rights, privileges and concessions.
60. To accumulate funds and to lend, invest or otherwise employ moneys belonging to or entrusted to the Company upon any shares securities or investments upon such terms as may be thought proper and from time to time to vary such transactions in such manners, the company may think fit.
61. To sell, improve, manage, work develop, lease, mortgage, abandon, or otherwise deal with all or any part of the property, rights and concessions of the Company.
62. To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund whether for depreciation, or for repairing, improving, extending or maintaining any of the property of the company or for the redemption of debentured or redeemable preference shares or for any other purpose whatsoever conducive to the interest of the company.
63. To construct, carry out, maintain, improve, manage, work, control, and superintend any hats, markets, reservoirs, waterworks, tanks, bridges, and works in connection therewith, hydraulic works, electrical works and factories, coolae lines and houses bustee, villages and other works and conveniences, which may seem directly or indirectly conducive to any of the objects of the Company and to contribute to subsidies or otherwise aid or take part in any such operations.

64. To provide for the welfare of employees or ex-employees of the Company and the wives and families of the dependents or connections of such persons by buildings or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit and to subscribe or otherwise to assist or to guarantee money to charitable benevolent, religious, scientific, national, or other institutions or objects which shall have moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
64. (A) To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "Programme of rural development" shall also include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors consider likely to promote and assist rural development, and that the words, "rural area" shall include such areas as may be regarded as rural areas under section 35CC of the Income-tax Act, 1961, or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes, transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the company to or in favour of any public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts or Funds or organisation(s) or person(s) as the Directors may approve.
64. (B) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspaper or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting, or assisting any institution, fund, trust etc. having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and the Directors may

at their discretion in order to implement any of the above-mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts or Funds or Organization(s) or Person(s) as the Directors may approve.

65. To place, to reserve or to distribute as dividend or bonus among the members or otherwise to apply as the Company may from time to time think fit, any money received by way of premium on shares or debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the sale by the Company of forfeited shares or from unclaimed dividends.
67. To establish and maintain local registers agencies and branch-places of business and procure the Company to be registered or recognised and to carry on business in any part of the world.
68. To dedicate, present or otherwise dispose of either voluntarily or for value, any property of the company for any purpose deemed to be of national public or local interest, to any national trust, public body, museum, corporation, or authority or any trustees for and on behalf of the same or of the public.
69. To appropriate, use or lay out land belonging to the company for streets, parks, pleasure grounds, allotments and other conveniences and to present land so laid out to the public or to any persons or Company conditionally or unconditionally as the Company thinks fit.
70. To distribute any of the Company's property amongst the members in specie or kind.
71. To do all or any of the above things in any part of the world and either as principals, agents, trustees or otherwise and either alone or in conjunction with others and by or through agents, sub-contractors, trustees or otherwise.
72. To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them and as principals, agents, contractors, trustees or otherwise and by or through trustees agents or otherwise and either alone or in conjunction with others and so that the word "Company" in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority, partnership or body of persons, whether incorporated or not and the intention is that the objects set forth in each of the several paragraphs of this clause shall have the widest possible construction and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraphs of this clause or the name of the Company.

IV. The Liability of the members is limited.

- V. "The authorised share capital of the Company is Rs.13,00,00,000/- (Rupees Thirteen Crores only) divided into 2,60,00,000 (Two Crores Sixty Lacs) Equity Shares of Rs.5/- (Rupees Five) each."

fix cumulative preferential dividend at the rate of eleven per cent free of Company's tax but subject to deduction of tax at source at the prescribed rates on the capital paid thereon and 10,000 preference shares shall confer on its holders the right to fix cumulative preferential dividend at the rate of eleven per cent free of Company's tax but subject to deduction of taxes at source at the prescribed rates, on the capital paid up thereon; and in the event of winding up the right to redemption of capital and arrears of dividend, whether earned declared or not upto the commencement of the winding up in priority to the equity shareholders and shall rank as regards payment of dividend or arrears of dividend in priority to the equity shares but shall not confer any right to further participation in profits or assets. Upon the increase of capital the Company is at liberty to issue any new shares with any preferential, deferred, qualified or special rights, privileges and conditions attached thereto. The Company shall not create and/or issue preference shares in future ranking in priority to the 5,000 shares agreed to be issued and allotted to The Oriental Fire and General Insurance Company Limited, National Insurance Company Limited and United India Insurance Company Limited out of the said 10,000 preference shares and it can create and/or issue preference shares in future ranking pari passu with the said 5000 Preference Shares only with the consent in writing of the holders of not less than 3/4th of the preference shares then outstanding or with the sanction by a special resolution passed at a separate meeting of the holders of the said 5,000 preference shares. The said 5,000 preference shares shall be definitely redeemed on the expiry of 12 years from the date of allotment provided, however, that the Company shall have the option to redeem the same earlier but not earlier than 10 years from the date of allotment. If the Company through its Directors decide to redeem only a part of the preference shares for the time being outstanding during the period mentioned above, the said preference shares to be redeemed on each occasion shall be determined by a drawing of lots to be made at such time and place and in such manner as the Directors may determine, but in the presence of atleast one of the Directors and representative of the Auditors of the Company for the time being.

- (b) Subject to what is stated in sub-clause (a) hereinabove, the said preference shares shall be redeemable at the option of the company to be exercised after 10 years by giving six months' notice in such manner as the Directors may, subject to the provisions of the Baroda Company Act, think fit.

- (c) The ordinary shares shall confer on the holders the rights out of profits of each year, which it shall be determined to distribute as dividend, to a non-cumulative dividend for each year on the capital for the time being paid up or credited as paid up thereon next after payment of the dues on the said preference shares.

(d) The term profit used in this clause shall be deemed to consist of such monies as shall from time to time be declared by the Directors to be available for distribution as Dividends in terms of the Articles of Association of the company and it is hereby expressly provided that the Directors have power, before recommending a dividend to set aside out of the profits of the company such sums as they may think proper to form a depreciation fund for repairing, improving and maintaining any of the property of the company, a reserve fund to meet contingencies, a sinking fund to repay debentures or debenture stock or for the special dividend or for equalising dividends, a provident benefit fund or any special fund for any other purposes as the Directors may, in their absolute discretion think conducive to the interest of the company.

The right hereby attached to the said preference and ordinary shares may be modified or dealt with in accordance with articles 19 and 20 of the accompanying Articles of Association but not otherwise and these articles shall be deemed to be incorporated herein and have effect accordingly.

We, the several persons whose names and addresses are subscribed are desirous of being formed into a company in pursuance of this Memorandum of Association and respectively agree to take the number of shares in the capital of the company set opposite our respective names.

Dated this 20th day of June, 1945

Name of Subscribers	Address and description of Subscribers	No. of shares taken by each Subscriber	Name, address & Description of Witness
Ratilal Nathalal	Commercial Mills Ahmedabad Mill Agent	100	M.M. Thakore Principal Law College, Ellis Bridge, Ahmedabad.
Dahyabhai Chhotalal	Mill Agent Chhotalal Mills Kelol, G. B. S. Rly.	100	
Bhagubhai Chandulal Chandulal Madhavlal Jointly	Both residing at Kadava Pole, Darlapur, Ahmedabad Merchants	100 (Joint holding)	
Rasiklal G. Parekh	Mill Agent Juplier Mills Ahmedabad	100	A. J. Patel Ellis Bridge, Ahmedabad.
Anandlal H. Sheth	Merchant "Paradiso" Station Road, Bzroda	100	
Dhirajlal Khusaldas	Maheshwarl Mills Ahmedabad Mill Agent	100	
Madhusudan Chimanlal Patel	Merchant Rakhlal, A.P. Rly.	100	

ARTICLES OF ASSOCIATION OF MADHUSUDAN INDUSTRIES LIMITED

TABLE 'A' EXCLUDED

1. The regulations contained in the Table A in the First Schedule to the Companies Act, 1956 shall not apply to the Company except so far as the same are repealed, contained or expressly made applicable in these Articles.

Company governed by these Articles.

2. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repetition or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by the said Companies Act, 1956 be such as are contained in these Articles.

INTERPRETATION

Interpretation clause.

3. In these Articles unless there be something in the subject or context inconsistent therewith:

"The Company"

"The Company" means the abovenamed Company.

The Act or "The said Act"

"The Act" or "the said Act" means The Companies Act, 1956 or other Act or Acts for the time being in force in India containing the provisions of the legislature in relation to companies, (or any statutory modification or re-enactment thereof for the time being in force).

"The Directors"

"The Directors" mean the Directors for the time being of the Company or the Directors assembled at a Board.

"Board"

"Board" means a meeting of the Directors duly called and constituted, or, as the case may be, the Directors assembled at a Board or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles, or the Directors of the Company collectively.

"Month"

"Month" means a calendar month.

"Year"

"Year" means the period from the first of September of every calendar year to the thirty-first of August of the next calendar year.

"The Office"

"The Office" means the Registered Office for the time being of the Company.

"Dividend"

"Dividend" includes bonus.

"These presents"

"These presents" means these Articles of Association as originally framed or as altered from time to time by Special Resolution.

"Members"

"Members" shall mean Member(s) of the Company holding a share or shares of any class in the capital of the Company whose name is entered in the Register of Members and includes person(s) whose name(s) is / are entered as beneficial owner(s) of shares in the capital of the Company, in the records of the Depository.

"Seal"

"Seal" means the Common Seal of the Company.

"Paid up"

"Paid up" includes credited as paid up.

"Writing"

"Writing" shall include printing and lithography or part printing and part lithography and any other mode or modes of representing or reproducing words in visible form.

"Singular number"

Words importing the singular number shall include the plural number and vice versa.

"Gender"

Words importing the masculine gender, also shall include the feminine gender.

"Persons"

Words importing persons shall include corporations. Subject as aforesaid, any words or expressions defined in the Act shall, except, where the subject or context forbids bear the same meaning in these articles:

"Marginal Notes"

The Marginal Notes hereto shall not affect the construction hereof.

"Beneficial Owner"

"Beneficial Owner" means "a person or persons", as defined in Clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

"Depository"

"Depository" means a depository, as defined under Clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.

"Depositories Act, 1996"

"Depositories Act, 1996" shall include any statutory modification or re-enactment thereof for the time being in force.

"Securities and Exchange Board of India"

"Securities and Exchange Board of India" (SEBI) means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

"Security"

"Security" means such security as may be specified by SEBI, from time to time or security under the Depositories Act, 1996.

Words and expressions used and not defined in "the Act" but defined in the Depositories Act, 1996 shall have the same meanings respectively assigned to them in the Depositories Act, 1996 as amended from time to time.

"Persons"

Words importing persons shall include corporations.
Subject as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

"Marginal Notes"

The Marginal Notes hereto shall not affect the construction hereof.

**Copies of Memorandum and Articles of Association
to be furnished by Directors.**

4. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be furnished by the Directors to every member at his request within seven days thereof on payment of the sum of Rupee one for each copy.

5. "The authorised share capital of the Company is Rs.13,00,00,000/- (Rupees Thirteen Crores only) divided into 2,60,00,000 (Two Crores Sixty Lacs) Equity Shares of Rs.5/- (Rupees Five) each subject to increase or reduction in accordance with the regulations of the Company and legislative provisions for the time being in force in this behalf and with power to divide the share capital for the time being into equity share capital, Preference share capital or any other type of share capital as may be permitted by law and to attach thereto respectively the Preferential, qualified or special rights, privileges or conditions."

Conditions

6. The amount payable as application money on each share of the Company offered to the public for subscription shall not be less than 5% of the nominal amount of share.

Rights of holders of Preference Shares.

7. The holders of preference shares shall be entitled to be paid out of the profits which the Directors shall determine to distribute by way of dividend, a fixed cumulative preferential dividend at such rate on the nominal value of the said shares as may be specified in these Articles or by amendment thereof prior to the issue of the said preference shares and to a right on redemption or winding up to be paid all arrears of preferential dividend, whether earned or declared or not, down to the redemption thereof or the commencement of the winding up, as the case may be, and also to be repaid the amount of capital paid or credited as paid up on the preference shares held by them respectively in priority to any payment in respect of the equity shares, but shall not be entitled to any other rights in the profits or assets of the Company. Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of the winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid upon such shares, and all surplus assets thereafter shall belong to the equity

shares in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.

Rights of Depositories and beneficial owners

7A. "Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be registered owner for the purposes of effecting transfer of ownership of Security on behalf of the beneficial owner."

"Save as otherwise provided above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities which are held by a depository."

"Register of Members"

8. The Company shall cause to be kept a Register of Members and an index of Members in accordance with section 150 and 151 of the Act.

"The Register of Members also includes the Register and Index of Beneficial Owners maintained by the Depository under the Depositories Act, 1996."

9. (1) The Company shall comply with the provisions of Section 159 of the Act regarding the filing of Annual Returns and the provisions of Section 161 of the Act as regards the annual return and certificates to be annexed thereto.

(2) The Register and Index of Members, the Register and Index of Debenture holders and copies of all Annual Returns prepared under Sections 159 and 160 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act shall be kept at the Registered office of the Company.

PROVIDED that such registers, indexes, returns and copies of certificates and documents or any one or more of them may, instead of being kept at the Registered office of the Company, be kept at any other place within the City, town or village in which the Registered office of the Company is situate, if:—

(i) such other place has been approved for this purposes by a special resolution passed by the Company in general meeting, and

(ii) the Registrar has been given in advance a copy of the proposed special resolution.

Inspection.

10.(1)(a) The registers, indexes, returns and copies of certificates and other documents referred to in the preceding Article hereof shall, except when the Register of Members or Debenture holders is closed under the provisions of the Act, be open during the business hours (subject to such reasonable restrictions as the Company may impose, so that not less than two hours in each day are allowed for inspection to the inspection (i) of any member or debenture holder without fee and (ii) of any other person on payment of a fee of one rupee for each inspection).

(b) Any such member, debenture holder or other person may, take abstracts from the said documents or require a copy thereof in accordance with section 163 of the Act.

(2) The Company shall cause any copy required by any person under sub-clause (b) of clause (1) to be sent to that person within a period of ten days, exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.

11. Subject to provisions of the Act and these Articles the shares in the capital of the Company for the time being shall be under the control of the Directors who may allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either, subject to the provisions of Section 78 of the Act, at a premium or at par or, subject to compliance with the provisions of Section 79 of the Act, at a discount and at such times as they may from time to time, think fit and proper. Provided that the option or right to call of any shares shall not be given to any person except with the sanction of the Company in general meeting.

Further Issue of Capital

12 (1) Whenever it is proposed to increase the subscribed capital of the Company by allotment of further shares:

- (a) such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid up on those shares at that date;
- (b) such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than one month from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- (c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any person; as also a right to apply for additional shares, and the notice referred to in sub-clause, (b) hereof shall contain a statement of this right;
- (d) after the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner as they think most beneficial to the Company.

(2) Notwithstanding anything contained in clause (1) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in sub-clause (a) of clause (1) hereof) in any manner whatsoever;

- (a) if a special resolution to that effect is passed by the Company in general meeting; or
- (b) where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to vote in person or where proxies are allowed by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

(3) Nothing in sub-clause (c) of Clause (1) hereof shall be deemed:

(a) to extend the time within which the offer should be accepted.

(b) to authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company;

(i) to convert such debentures or loans into shares in the Company; or

(ii) to subscribe for shares in the Company; provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:—

(a) has been approved by a special resolution passed by the Company in general meeting before the issue of the debentures or the raising of the loans and also

(b) either has been approved by the Central Government before the issue of the debentures or the raising of the loans, or is in conformity with the rules, if any, made by that Government in this behalf.

XX →

Power of General Meeting to offer shares to such persons as the Company may resolve.

13. In addition to and without derogating from the powers for that purpose conferred on the Directors under Article 11, the Company in General Meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or, (power also to Company in General Meeting to issue shares subject to compliance with the provisions of Section 78 of the Act) at a discount, as such General Meeting shall determine and with the sanction of the Company in General Meeting to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or (subject to compliance with the provisions of Section 78 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting provided however that the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares before the issue thereof by the Directors.

Directors may allot shares for consideration other than cash.

14. Subject to the provisions of the Act and these Articles the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may

XX
"Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form."

"There would be no stamp duty on shares or securities being held in the dematerialised form in any medium as permitted by law including any form of electronic medium."

be issued as fully paid up or partly paid up otherwise than in cash, and if so issued shall be deemed to be fully paid up or partly paid up shares as aforesaid.

Application of premium received on shares.

15. (1) Where the Company issues shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these shares shall be transferred to an account, to be called "THE SHARE PREMIUM ACCOUNT", and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in this clause, apply as if the share premium account were paid up share capital of the Company.

(2) The Share Premium Account may, notwithstanding above clause (1) hereof be applied by the Company:—

- (a) in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares;
- (b) in writing off the preliminary expenses of the Company;
- (c) in writing off the expenses of or commission paid or discount allowed, on any issue of shares or debentures of the Company; or
- (d) in providing for the premiums payable on the redemption of any redeemable preference shares or of any debentures of the Company.

Acceptance of shares.

16. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purpose of these Articles be a Member.

Deposit and calls to be a debt payable immediately.

17. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall, immediately on the insertion of the name of the allottees in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members.

18. Every member, or his heirs, executors or administrators, shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Board of Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

Instalments on shares to be duly paid.

19. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the

person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

Company not bound to recognise any interest in shares, other than that of the registered holders.

20. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required), be bound to recognise any benami, trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

No purchase of or loans on Company's shares.

21. None of the funds of the Company shall except as provided by Section 77 of the Act, be employed in the purchase of its own shares unless the consequent reduction of capital is affected and sanctioned in pursuance of Section 100 to 104 or Section 402 of the Act or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be by any person or for any shares in the Company or in its holding Company.

Buy-back of shares

21 A. Notwithstanding what is stated in Article 21 or any other Article of the Articles of Association of the Company, in the event it is permitted by the law and subject to such conditions, approvals, or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of capital. If and to the extent permitted by law, the Company shall also have the power to reissue the shares so bought-back.

Shares With differential voting rights

21 B. Subject to the provisions of the Companies Act, 1956 and all other applicable provisions, if any, of the other laws, the Company may issue shares either equity or any other kind with differential voting rights including non-voting shares and the resolution authorising such issue shall prescribe the terms and conditions of the issue.

issued.

Brokerage.

23. The Company may also pay on any issue of shares or debentures such brokerage as may be lawful.

Commission to be included in the Annual Return.

24. Where the Company has paid any sum by way of commission in respect of any shares or debentures or allowed any sums by way of discount in respect of any shares or debentures such statement thereof shall be made in the annual return as required by Part I of Schedule V of the Act.

Share Certificate

25. Every member or allottee of shares shall be entitled without payment, to receive one certificate under the common Seal of the Company in such form as the Board of Directors shall prescribe or approve, for all the shares of the same class allotted to him or registered in his name or (upon payment of such fee not exceeding Rupee one per certificate as the Directors may from time to time determine) to several certificates each for one or more of such certificates, and specifying the number and distinctive numbers of the share or shares allotted to

him or registered in his name, and the amount paid thereon and such certificate shall be signed in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, and their statutory modifications for the time being in force. Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share which may be delivered to any one of such joint owners on behalf of all of them. The Company shall comply with the provisions of Section 113 of the Act.

"Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise / rematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996."

Members' right to Certificate

26. (1) Every person whose name is entered as a member in the Register of Members shall be entitled to receive within three months after allotment and within one month after allotment and within one month after the registration of transfer (or within such other period as the conditions of Issue shall provide)

- (a) One Certificate for all his shares in marketable lot without payment or,
- (b) Several Certificates, each for one or more of his share certificates after that first.
- (2) Every Certificate shall specify the shares to which it relates and the amount paid up thereon.
- (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (4) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise / rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 any any rules framed thereunder.
- (5) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed under the Depositories Act, 1996, issue to the beneficial owner the required certificates of securities.

(6) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153 and 372 / 372 A of the Companies Act, 1956 shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

"26. A Notwithstanding anything contained in Article 26, the Directors of the Company may in their absolute discretion refuse sub-division of share certificates or debenture certificates into denominations of less than the marketable lots except where such sub-division is required to be made to comply with a statutory provision or an order of a competent court of law".

Renewal of Certificate

27. The Board of Directors may renew a share certificate of issue duplicate of a share certificate, if such share certificate -

- (a) is proved to have been lost or destroyed; or
- (b) having been defaced or mutilated or torn is surrendered to the Company.

The Company shall observe the Companies (issue of share Certificates) Rules 1960, and the statutory modifications thereof for the time being in force.

CALLS

28. Subject to provisions of Section 91 of the Act, the Directors may from time to time make such calls as they may think fit upon the members by a resolution passed at a Board Meeting and not by a Circular Resolution in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof

made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.

Calls to be on uniform basis.

29. All calls for share capital shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

30. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be made payable by the members on the Register of Members on a subsequent date to be specified by the Directors.

Restrictions on power to call.

31. No call shall exceed one-fourth of the nominal amount of the share or be made payable within two months after the last preceding call was payable.

Notice of call.

32. Not less than one month notice of every call shall be given specifying the time and place of payment and to whom such call shall be paid, provided that before the time for payment of such call the Directors may, by notice in writing to the members, revoke the same.

Directors may extend time.

33. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

Amount payable at fixed time or by instalment as call.

34. If, by the terms of issue of any share or otherwise, any amount is made payable at any fixed time or by instalments at fixed times (whether on account of the amount of the share or by way of premium), every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provision herein contained in respect of calls shall apply to such amount or instalment accordingly.

When interest on call or instalment payable

35. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the shares in respect of which a call shall have been made or the instalment shall be due shall pay interest on the same at such rate not exceeding nine per cent per annum as the Directors shall fix from the date appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

eighteen

Partial payment not to preclude forfeiture.

36. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction hereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares; either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such shares as herein provided.

Proof on trial of suit for money due on share

37. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose share the money is sought to be recovered is duly entered in the Register of Members that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given in pursuance of these presents, and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in anticipation of calls may carry interest.

38. The Directors may, if they think fit, receive from any member willing to advance the same, and either in money or money's worth all or any part of the capital due upon the shares, held by him beyond the sums actually called for; and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon, and the Directors may at any time repay the amount so advanced upon giving to such member three months' notice in writing. The amount paid up in advance of calls shall not confer any right to dividend or participation in profits.

FORFEITURE AND LIEN

If call or instalment not paid notice must be given.

39. If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter, during such time as the call or instalment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or the person (if any) entitled to the share by transmission requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

Form of Notice.

40. The notice shall name a day (not being less than fourteen days from the date of the notice) and place on and at which such call or

instalment or such part thereof or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

In default of Payment shares to be forfeited.

41. If the requisitions of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given, may at any time thereafter before payment of all calls, instalments, interest and expenses or other moneys due in respect thereof be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

Entry of forfeiture in Register of Members.

42. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof shall be made in the Register of Members.

Forfeited share to be property of the Company and may be sold etc.

43. Any share so forfeited shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and conditions and in such manner as the Directors shall think fit.

Power to annul forfeiture.

44. The Directors may at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

Shareholder still liable to any money owing at the time of forfeiture and interest.

45. Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay the Company all calls, instalments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so.

Company's lien on shares.

46. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of the sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no

equitable interest in any share shall be created except on the footing and condition that Article 20 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.

As to enforcing lien by sale.

47. For the purposes of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made:—

- (a) unless a sum in respect of which the lien exists is presently payable; and
- (b) until the expiration of seven days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency, and default shall have been made by him or the person entitled thereto in payment of the sum payable as aforesaid for seven days after such notice.

Application of proceeds of sale.

48. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, paid to such member or the person, if any entitled by transmission to the shares so sold.

Evidence of forfeiture

49. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof shall constitute a good title to such shares and the person to whom the shares are sold shall be registered as the holder of such shares and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposal.

Validity of sales under Articles 47

50. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceeding or to the application of the purchase money, and after his name has been entered in the Register, in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by

the sale shall be in damages only and against the Company exclusively. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

TRANSFER AND TRANSMISSION OF SHARES

Register of Transfers.

51. The Company shall keep a book or books as may be decided by its Board of Directors from time to time to be called "Register of Transfers", and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any Share.

Form of Transfer.

52. The instruments of transfer of any shares shall be in writing and all the provisions of Section 108 of the Act and of any statutory amendments thereof for the time being shall be duly complied with in respect of all transfers of shares and of registration hereof.

→ Transfer to be left at office and evidence of title to be given.

53. Every instrument of transfer shall be in respect of only one class of shares and shall be left at the office for registration accompanied by the certificate of shares to be transferred and such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the shares, provided that where it is provided to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and transferee has been lost, the Company may, if the Directors so think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity as the Directors may think fit.

Directors may refuse to register transfer.

55. Subject to the right of appeal conferred by Section 111 of the Act, the Directors may decline to register any transfer of shares and such refusal shall not be affected by the fact that the proposed transferee is already a member and a notice to this effect will be sent to the transferee and transferor giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground that the transferor, alone or jointly with any other person or persons, is indebted to the Company on any account whatsoever.

Transfer of shares.

56. (a) An application for the registration of shares may be made either by the transferor or by the transferee provided that where such application is made by the transferor no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of sub-clause (c) hereof, the Company may unless objection is made by the

★ 52A

"Nothing contained in Section 108 of the Companies Act, 1956 or in the Articles which are inconsistent with the provisions of Depositories Act, 1996 shall apply to a transfer of securities effected by a transferor or transferee both of whom are entered as beneficial owners in the records of a Depository.

transferee within two weeks from the date of receipt of the notice enter in its Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

(b) For the purpose of sub-clause (a) hereof, notice to the transferee shall be deemed to have been duly given if sent by pre-paid post to the Transferee at the address given in the instrument of transfer and shall be deemed to have been delivered in the ordinary course of post.

56. (c) If the Company refuses to register the transfer of any shares, the Company shall within one month from the date on which the instrument of transfer is lodged with the Company send to the transferee and the transferor notice of the refusal along with the reasons of such refusal.

(d) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any shares.

Custody of transfer.

57. The instrument shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they determine but not earlier than ten years.

Closure of Transfer Books.

58. The Directors shall have power on giving twenty one days by advertisement as required by Section 154 of the Act to close the transfer books, Register of Members or Register of Debenture Holders of the Company for such period or periods of time not exceeding 30 days at a time as they may deem fit.

Title to shares of deceased holder.

59. The executors or administrators of a deceased member or the holder of a Succession Certificate in respect of the shares of a deceased member (whether European, Hindu, Mohamadian, Parsi or otherwise), not being one of two or more joint holders, shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate, Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as the Directors may deem fit and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

Registration of persons entitled to shares otherwise than
by transfer (Transmission)

60. Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require and upon giving such indemnity as the Directors may require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee as instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of such shares. This clause is herein referred to as the "Transmission Clause".

Refusal to register nominee.

61. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration.

Board may require evidence of transmission.

62. Every transmission of shares shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity is given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

Fee on transfer or transmission.

63. The Board of Directors shall be entitled to transfer or transmit any shares without charging any fees for such transfer or transmission.

The Company not liable for disregard of a notice prohibiting registration of transfer.

64. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book or attended or given effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some

book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

CONVERSION OF SHARES INTO STOCK

Conversion of shares into stock and reconversion

65. The Directors, with the sanction of a resolution of the Company in General Meeting, may convert any paid up shares into stock and may convert stock into paid up shares of any denomination. When any shares have been converted into stock the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interests, in the same manner and subject to the same regulations as and subject to which fully paid up shares in the Company's capital may be transferred or as near thereto as circumstances will admit.

Rights of Stock holders.

66. The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class or by the shares of equal amount from which such stock was converted, but so that none of such privileges or advantages, except the participation in the profits of the Company or in assets of the Company on a winding up, shall confer by any such stock or part of stock as would not if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances shall admit, apply to stock as well as to shares.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

Increase of Capital.

67. The Company may from time to time in General Meeting increase its share capital by the issue of new shares of such amount as it thinks expedient.

On what condition new shares may be issued.

68. The new shares may be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof, shall direct and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company or otherwise, in conformity with Sections 87 and 88 of the Act. Any preference shares subject to the provisions of Section 80 of the Act, may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption. When capital is increased under this Article, the Directors shall comply with the provisions of Section 97 of the Act.

Same as original capital.

69. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, voting and otherwise.

Provisions to apply on issue of redeemable preference shares.

70. On the issue of redeemable preference shares under the provisions of the Article 68 hereof, the following provisions shall take effect:—

- (a) no such share shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;
- (b) no such shares shall be redeemed unless they are fully paid.
- (c) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's share premium account before the shares are redeemed.
- (d) Where any shares are redeemed otherwise than out of the proceeds of a fresh issue there shall out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "The Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company, shall except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share
- (e) Subject to the provisions of Section 80A of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue, and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. However, such shares issued after commencement of Companies (Amendment) Act, 1988 shall be redeemable not later than 10 years from the date of their issue.

Reduction of Capital etc.

71. The Company may (subject to the provisions of Section 100 to 104, inclusive of the Act) from time to time by special resolution, reduce, (a) its share capital, (b) any Capital Redemption Reserve Account, or (c) any Share Premium Account, and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

SUBDIVISION AND CONSOLIDATION

Consolidation sub-division and Cancellation of shares.

72. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may by an ordinary resolution alter the conditions of its Memorandum as follows:—

(a) Consolidate and divide all or any of its share capital into shares of large amount than its existing shares :

(b) sub-divide its shares, or any of them, into shares of smaller amount than fixed by the Memorandum, so, however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share, shall be the same as it was in the case of share from which reduced share is derived :

(c) cancel any shares which, at the date of the passing of the resolution, have not been taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.

Whenever the Company shall do any one or more of the things provided for in the foregoing sub-clause (a), (b) and (c) it shall, within thirty days thereafter, give notice thereof to the Registrar as required by Section 95 of the Act specifying, as the case may be, the shares consolidated, subdivided or cancelled.

MODIFICATION OF RIGHTS

Modification of rights.

73. Whenever the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class, subject to the provisions of Section 106 and 107 of the Act, be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions hereinafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article is not to derogate from any power the Company would otherwise have, were it omitted.

JOINT HOLDERS.

Joint Holders.

74. Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles :-

Company may refuse to register more than three persons.

(a) The Company shall be entitled to decline to register more than three persons as the holder of any share.

Joint Holders jointly and severally responsible.

(b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

- Title of survivors.
- (c) On the death of any joint holder, the survivor or survivors shall be the only persons or persons recognised by the Company as having any title to the share, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

Receipts of one sufficient.

- (d) Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such share.

Delivery of certificate and giving of notices to first named holder.

- (e) Only the persons whose name stands first in the Register of Members as one of the joint holders of any shares shall be entitled to delivery of the certificate relating to such share or to receive notices (which expression shall be deemed to include all documents mentioned in these Articles) from the Company, and any notice given to such person shall be deemed notice to all the joint holders.

Votes of joint holders.

- (f) Any one of two or more joint holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under power of attorney or by proxy stands first or higher in the Register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purpose of this sub-clause be deemed joint holders.

BORROWING POWERS

Power to borrow.

75. Subject to the provisions of Section 292 and 293 of the Act, the Board of Directors may, from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the Company.

The payment or re-payment of moneys borrowed.

76. The payment or re-payment of moneys borrowed aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular

by a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being; and debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of Debentures.

77. Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meeting, appointment of Directors, and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting.

Mortgage of uncalled capital.

78. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors may subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

Indemnity may be given.

79. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Register of Mortgages etc. to be kept.

80. The Company shall keep a Register of Charges, in accordance with the provisions of Section 143 of the Act, in respect of all mortgages debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Board of Directors.

Register and Index of Debenture Holders.

81. The Company shall if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 152 of the Act.

GENERAL MEETINGS

Annual General Meeting.

82. (1) The Company shall, in each year hold, in addition to any other meetings, a general meeting as its Annual General Meeting in accordance with the provisions of Sections 166 and 210 of the Act and shall specify the meeting as such in the notice calling it. Except in the

“When the Debentures of the Company are dematerialised, “Debenture holder” means the person(s) whose name is entered in the Register of Debenture holders and includes persons(s) whose name(s) is / are entered as beneficial owner(s) of Debentures, in the records of the Depository”

186
case where the Registrar has given an extension of time for holding any Annual General Meeting not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next.

Provided that if the Registrar shall have for special reason extended the time within which any Annual General Meeting shall be held, such Annual General Meeting may be held within the additional time.

- (2) Every Annual General Meeting shall be called for any time during business hours, on a day that is not a public holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate for the time being.

Extraordinary General Meeting.

53. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meeting.

Circulation of Members' Resolution.

84. (1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of members as is hereinafter specified and (unless the Company otherwise resolves) at the expense of the requisitionists:—

(a) give to members of the Company entitled to receive a notice of the next annual general meeting, notice of any resolution which may properly be moved and is intended to be moved at their meeting;

(b) circulate to members entitled to have notice of any general meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

(2) The number of members necessary for a requisition under clause (1) hereof shall be:

(a) such number of members as represent not less than one-twentieth of the total voting power of all the members having at the date of the requisition a right to vote on the resolution or business to which the requisition relates; or

(b) not less than one hundred members having the right aforesaid and holding shares in the Company on which there has been paid up an aggregate sum of not less than rupees one lac in all.

(3) Notices of any such resolution shall be given and such statement shall be circulated to members of the Company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each member in any manner permitted by the Act for service of notice of the meeting; and notice of any such

resolution shall be given to any other member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served or notice of the effect of the resolution shall be given, as the case may be, in the same manner and, so far as practicable at the same time as notice of the meeting, and where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

(4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:—

(a) a copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signatures of all the requisitionists) is deposited at the Registered Office of the Company;

(i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting, and

(ii) in the case of any other requisition not less than two weeks before the meeting; and

(b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto; Provided that if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.

(5) The Company shall also not be bound under this clause to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.

(6) Notwithstanding anything in these presents contained, the business which may be dealt with at an Annual General Meeting shall this Article and for the purpose of this Article notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it, to one or more members.

When extra ordinary general meetings to be called.

85. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of the members as hereinafter provided, forthwith proceed to convene an Extraordinary General Meeting of the Company.

Extraordinary General Meeting by requisition.

86. In case of requisition the following provision shall have effect:

(1) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the Registered Office of the Company.

(2) The requisition may consist of several documents in like form, each signed by one or more requisitionists.

(3) The number of members entitled to requisition a meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.

(4) Where two or more distinct matters are specified in the requisition, the provision of clause (3) hereof shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause is fulfilled.

(5) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called:—

(a) by the requisitionists as represent either a majority in value of the paid up share capital or not less than one-tenth of such of the paid up share capital of the Company as is referred to in Clause (3) hereof whichever is less.

PROVIDED that for the purposes of this clause the Board shall, in the case of a meeting at which a resolution is to be proposed as a special resolution be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 169 of the Act.

(6) A meeting called under clause (5) by the requisitionists or any of them:—

(a) shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board, but

(b) shall not be held after the expiration of three months from the date of deposit of the requisition.

PROVIDED that nothing in sub-clause (b) shall be deemed to prevent a meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

(7) Where two or more persons hold any shares in the Company jointly, a requisition, or a notice calling a meeting signed by one or some only of them shall, for the purposes of this Article have the same force and effect as if had been signed by all of them.

- (8) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Length of notice of meeting.

87. (1) A general meeting of the Company may be called by giving not less than twenty-one days' notice in writing.

(2) A general meeting may be called after giving shorter notice than that specified in clause (1) hereof if consent is accorded thereto:

- (i) in the case of an Annual General Meeting, by all members entitled to vote thereat; and
- (ii) in the case of any other meeting, by members of the Company holding not less than ninety-five per cent of such part of the paid up share capital of the Company.

PROVIDED that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purpose of this Article in respect of the former resolution or resolutions and not in respect of the latter.

Contents and manner of service of notice.

88. (1) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat.

(2) Subject to the provisions of the Act, notice of every general meeting shall be given:—

- (a) to every member of the Company in the manner authorised by sub-sections (1) to (4) of Section 53 of the Act;
- (b) to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and
- (c) to the auditor or auditors for the time being of the Company, in any manner authorised by Section 53 of the Act in the case of any member or members of the Company.

PROVIDED that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Registered Office of the Company under sub-section (3) of section 53 of the Act, the statement of material facts referred to in

Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

(3) Every notice convening a meeting of the Company, shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member of the Company.

Special and Ordinary business and explanatory statement

89. (1) (a) In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special, with the exception of business relating to

- (i) the consideration of the accounts, balance sheet and the reports of the Board of Directors and Auditors;
- (ii) the declaration of dividends;
- (iii) the appointment of Directors in the place of those retiring; and
- (iv) the appointment of, and the fixing of the remuneration of, the auditors; and

(b) In the case of any other meeting, all business shall be deemed special.

(2) Where any items of business to be transacted at the meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including in particular the nature of the concern or interest, if any, therein, of every Director.

(3) Where any item of business consists of according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

PROVIDED that where any item of special business as aforesaid to be transacted at the meeting of the Company relates to, or affects, any other Company the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than 20 per cent of the paid up share capital of that other Company.

Omission to give Notice not to invalidate a resolution passed.

90. An accidental omission to give any such notice as aforesaid to, or the non-receipt thereof by any member or other person to whom it should be given, shall not invalidate the proceedings of any such meeting.

Notice of business to be given.

91. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

92. Five members entitled to vote and present in person shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the meeting.

93. If within half an hour from the time appointed for holding a meeting of the Company a quorum is not present the meeting if called upon the requisition of members shall stand dissolved. In any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.

Resolution passed at adjourned meeting.

94. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Chairman of General Meeting

95. The Chairman of the Directors shall be entitled to take the chair at every general meeting, whether ordinary or extraordinary. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting then the members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair, then the members present shall elect one of their number to be the Chairman. If a poll is demanded on the election of a Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

Business in absence of Chairman.

96. No business shall be discussed at any general meeting except the election of a Chairman, whilst the Chair is vacant.

Chairman may adjourn meeting with consent.

97. (1) The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

Voting to be by show of hands in the first instance.

98. At any General Meeting, a resolution put the vote of the meeting shall, unless a poll is demanded under Article 100 be decided on a show of hands.

Chairman's declaration of result of voting by show of hands conclusive.

99. A declaration by the Chairman that, in pursuance of Article 99 hereof, on a show of hands, resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.

Demand for a poll.

100. (1) Before or on the declaration of the result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by the person or persons specified below, that is to say:

By any member or members present in person or by proxy holding shares.

(i) Which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution, or:

(ii) on which an aggregate sum of not less than fifty thousand Rupees has been paid-up.

(2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking the poll.

101. A poll demanded on a question of adjournment shall be taken forthwith. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Article 95 hereof), shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.

Chairman's casting voting.

102. In the case of an equality of votes the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.

Scrutineers at poll.

103. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the Poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.

Demand for poll not to prevent transaction of other business.

104. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than question on which the poll has been demanded.

Special notice when required.

105. Where by a provision contained in the Act or in these presents, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give the notice, thereof either by advertisement in a newspaper having an appropriate circulation or in any other manner allowed by these presents not less than seven days before the meeting.

Resolutions requiring special notice.

106. The following resolutions shall require special notice:—

(1) Resolution under Section 225 of the Act at an Annual General Meeting appointing as Auditor a person other than a retiring auditor or providing expressly that a retiring auditor shall not be reappointed;

(2) Resolution under Section 224 of the Act removing a Director before the expiry of his period of office.

(3) Resolution under Section 284 of the Act appointing a Director in place of the Director removed.

Registration of documents and Agreements with the Registrar.

107. A copy of each of the following resolutions (together with a copy of the Statement of material facts annexed under Section 173 of the Act to the notice of the meeting in which such resolution has been passed) or agreements shall, within thirty days after the passing or making thereof be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar:

(a) every special resolution:

(b) every resolution which has been agreed to by all the members of the Company but which if not so agreed to would not have been effective for their purpose unless it had been passed as a special resolution:

(c) every resolution of the Board of Directors or every agreement executed by the Company relating to the appointment, re-appointment or renewal of the appointment of the managing Director or varying the terms of any such appointment:

(d) every resolution or agreement which has been agreed to by all the members of any class of shareholders but which if not so agreed to, would not have been effective for the purpose unless it had been passed by some particular majority or in some particular manner required by the Act or by these presents; and every resolution or agreement which effectively binds all the members of any class of shareholders though not agreed to by all of them:

(e) every resolution passed by the Company:

(i) according consent to the exercise by the Board of Directors of any the powers under clauses (a), (d) and (e) of sub-section (1) of section 293 of the Act:

(ii) approving the appointment of sole selling agents under Section 294 or section 294AA of the Act: and

(f) the resolution for voluntary winding up the Company passed in pursuance of section 484(1) of the Act.

(g) Copies of the terms and conditions of appointment of a sole selling agent appointed under section 294 on a sole selling agent or other persons appointed under section 294AA.

And a copy of every such resolution or agreement for the time being in force shall also be embodied in or annexed to, every copy of these presents issued after the passing of the resolution or the making of the agreement.

VOTES AND VOTING RIGHTS

Votes

108. Subject to Article 109, upon a show of hands every member entitled to vote and present in person or by proxy or by an agent duly authorised under a power of attorney shall have one vote and upon a poll every member entitled to vote and present in person or by an agent duly authorised under a power of attorney or by proxy shall have the voting right in proportion to his share of the paid up equity capital of the Company.

Voting Rights.

109. Subject to the provisions of Section 92 of the Act, every member of the Company holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the Company which directly affect the rights attached to his preference shares or on any resolution for the winding up of the Company or for the repayment or reduction of its share capital. Subject as aforesaid, every member of the Company holding any preference share capital therein shall, in respect of such capital, be entitled to vote on every resolution placed before the Company at any meeting if the dividend due on such capital or any part of such dividend has remained unpaid, in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting. For the purposes of this Article, dividend shall be deemed

to be due on preference shares in respect of any period, whether a dividend has been declared by the Company on such shares for such period or not, on the day immediately following such period, where the holder of any preference share has a right to vote on any resolution in accordance with the provisions of this Article, his voting right on a poll, as the holder of such share, shall, subject to the provisions of Section 92 of the Act, be in the same proportion as the capital paid up in respect of the preference share bears to the total paid up equity capital of the Company.

Prohibiting of Issue of shares with disproportionate rights.

110. The Company shall not issue any shares (not being preference shares) which carry voting rights or right in the Company as to dividend capital or otherwise which are disproportionate to the right attaching to the holders of other shares (not being preference shares).

Debentures with voting rights not to be issued.

111. The Company shall not issue any debentures carrying voting rights at any meeting of the Company, whether generally or in respect of any particular class of business.

Members in arrears not to be present or vote.

112. No member shall be entitled to be present or to vote on any question (whether personally or by proxy) at any General Meeting or upon a poll or be reckoned in a quorum, whilst any call or other money due from him, either alone or jointly, to the Company in respect of any share or shares in the Company remain unpaid, or in regard to which the Company has, and has exercised any right to lien.

Vote of member of unsound mind, minor, etc. has how recorded.

113. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy. A member who is a minor may vote by his guardian or any one of his guardians if more than one to be selected in case of dispute by the Chairman of the meeting.

Votes of a person entitled to a share by transmission.

114. Any person entitled under the Transmission Clause (Article 60 hereof) to transfer any shares shall not be entitled to be present, or vote at any meeting, either personally or by proxy in respect of such shares, unless before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall have satisfied the Company of his right to transfer such shares (as to which the opinion of the Board shall be final) or unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Right of Member to use his votes differently.

115. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy, or other person entitled

to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Votes may be given personally or by proxy.

116. Subject to the provisions of these Articles, votes may be given either personally or by proxy.

Proxies.

117. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right whatever to speak at the meeting. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies.

Form of proxy.

118. The instrument appointing a proxy shall be in either of the applicable forms set out in Schedule IX of the Act and signed by the appointer or his attorneys duly authorised in writing or, if the appointer is a body corporate be under its seal or be signed by any officer or an Attorney duly authorised by it.

The instrument of proxy and the power of attorney (if any) under which it is signed to be deposited at the Registered Office.

119. No person shall be allowed to vote or act as a proxy at any meeting unless the instrument appointing him as a proxy and the power of attorney (if any) under which it is signed shall have been deposited at the Registered Office of the Company at least 48 hours before the time appointed for the holding of the meeting or adjourned meeting at which the person named in such instrument proposes to vote and in default thereof the instrument of proxy shall not be treated as valid and shall be rejected at the discretion of the Board. Any instrument appointing a proxy or a power of attorney permanently or for a certain period may be registered with the Company once for all, and need not be again registered before each successive meeting and shall be in force until notice of revocation thereof shall have been received at any time before the hour fixed for the meeting.

General and Special Proxy with whom to remain.

120. All instruments of proxy other than those mentioned in the foregoing Article shall remain in the custody of the Company permanently, or for such time as the Board may determine. The other instruments of proxy shall be duly registered and returned after the business of the meeting at which they are used is over, to the person by whom they were delivered.

Votes of Proxy valid though authority revoked.

121. A vote given in accordance with the terms of the instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been

received at the Registered Office of the Company before the commencement of the meeting or the adjourned meeting at which the proxy is used.

Representation of Corporation at meetings of the Company and of Creditors

122. A body corporate (whether a company within the meaning of this Act or not) may if it is a member of the Company within the meaning of the Act by a resolution of its Board of Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company or if it is a creditor (including a holder of debenture) of the Company within the meaning of the Act by resolution of its Board of Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made thereunder or in pursuance of the provisions contained in any debenture or trust deed, as case may be. A person authorised by any such resolution as aforesaid shall be entitled to exercise rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were a member creditor or holder of debentures of the Company.

Chairman sole judge of the validity of votes

123. No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the time of the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORS

Number of Directors.

124. Until otherwise determined by a General Meeting and subject to Sections 252 and 259 of the Act, the number of Directors shall not be less than five or more than Eleven *Thirteen*

First Directors.

125. The First Directors of the Company shall be :-

- (1) Sheth Ratilal Nathalal (Chairman)
- (2) Sheth Bhagubhai Chandulal
- (3) Sheth Rasiklal Chandulal (C. Parekh & Co.)
- (4) Sheth Anandlal Hiratal
- (5) Sheth Dahyabhai Chhotatal
- (6) Sheth Dhirajlal Khusaldas
- (7) Sheth Chimanlal Keshavlal (Ex-officio)
- (8) Sheth Prehladji Keshavlal (Ex-officio)
- (9) Sheth Madhusudan Chimanlal (Managing Agent)
(Director Ex-officio)

Debt and Debenture Director.

126. Any trust deed securing and covering the issue of debentures of the Company may provide for the appointment of a Director (in these presents referred to as "the Debenture Director") for and on behalf of the debenture holders for such period as is therein provided not exceeding the period after which he is removed from office of such Debenture Director and on a vacancy being caused whether by resignation, death, removal or otherwise, for appointment of a Debenture Director in the vacant place. The Debenture Director shall not be liable to retire by rotation or be removed from office except as provided in the Trust Deed and Debenture. The Debenture Director shall not be bound to hold any qualification shares.

Nominee Director

127. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), The Industrial Reconstruction Corporation of India Limited (IRCI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC), The Oriental Fire and General Insurance Company Limited (OFGI), The New India Assurance Company Limited (NIA), United India Insurance Company Limited (UII), GIC, GSFC or a State Financial Corporation or any financial institution owned or controlled by the Central Government or the Reserve Bank of India or by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time, (which Director or Directors, is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any qualification shares in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. The Company agrees that if the Board of Directors of the Company has constituted or proposes to constitute any management committee or other committee(s) it shall, if so required by the Corporation include the Nominee Director as a member of such management committee or other committee(s). Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Nominee Director/s shall be entitled to the same sitting fees, commission, remuneration and expenses as are applicable to other Directors of the Company. The Company shall pay the sitting fees and other expenses to the Nominee Director/s directly, but the commission, remuneration or other monies and fees to which the Nominee Director/s is entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation.

Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided also that in the event of the Nominee Director/s being appointed as whole-time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission, and monies as may be approved by the Corporation.

Special Director:

128. In connection with any collaboration arrangement with any Company or Corporation or any firm or person for supply of technical know-how and or machinery or technical advice the Directors may authorise such company, corporation, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time any person as a Director of the Company (hereinafter referred to as "Special Director") any may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the Office of such Director, so however that

such Special Director shall hold office so long as such Collaboration arrangement remains in force, unless otherwise agreed upon between the Company and such Collaborator under the Collaboration arrangement or at any time thereafter.

The Collaborator may at any time and from time to time remove any such Special Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to Company at its Registered Office.

It is clarified that every Collaboration entitled to appoint a Director under this Article may appoint one such person as a Director and so that if more than one Collaboration is so entitled there may be at any time as many Special Directors as the Collaborators eligible to make the appointment

Appointment of Alternate Director.

129. The Board of Directors of the Company may appoint an alternate Director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to "the Original Director" in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. Such alternate Director shall not be required to hold any qualification shares so long as the Original Director holds the necessary qualification shares prescribed by the Articles.

Directors may fill up vacancies.

130. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled up by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

Additional Directors.

131. The Directors shall also have power at any time and from time to time to appoint any person to be a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum fixed above. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next Annual General Meeting, but shall be eligible for re-election at such meeting.

Appointment of Managing Director/Whole-time Director/Executive Director

132. (a) The Directors may from time to time, subject to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and any other provisions of the Act for the time being in force and to the approval of the Central Government, if required, appoint one or more of their body to be the Managing Director / Whole-time Director / Executive Director or Managing Directors / Whole-time Directors/Executive Directors of the Company for such term not exceeding five years at a time and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

~~years at a time and may from time to time, subject to the provisions of any contract between him or them and the Company, remove or dismiss him or them from office and appoint another or others in his or their place or places.~~

- (b) The Managing Director(s) / Whole-time Director(s) / Executive Director(s), while he or they continue to hold that office, shall be subject to the same provisions as to resignation or removal of the other Directors of the Company and he or they shall ipso facto immediately cease to be Managing Director(s) / Whole-time Director(s) / Executive Director(s), if he or they ceases or cease to hold the office of Director or Directors for any cause.

133. For qualifying as a Director of the Company, the Director need not hold any shares of the Company.

Remuneration of Directors.

134. The fee payable to a Director (including a Managing Director and whole time Director, if any) for attending a meeting of the Board or committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fee that may be prescribed by the Central Government under proviso to section 310 of the Companies Act, 1956, by the Board from time to time. Such reasonable additional remuneration as may be fixed by the Board, may be paid to any one or more of its number for services rendered by him or them in signing the share certificates in respect of the Company's capital or any debenture issued by the Company. The Directors shall be paid such further remuneration (if any) as the Company in General Meeting, shall from time to time determine, and such additional remuneration and further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine and in default of such determination, shall be divided amongst the Directors equally.

Directors not resident of the place where the meeting of the Board of Directors is held to be paid travelling expenses etc.

135. The Directors may subject to the limitations provided by the Act allow and pay to pay Director who is not a resident of the place where the meeting of the Board of Directors is held and who will come to such place for the purpose of attending the meeting of the Board or a Committee thereof, such sum as the Directors may consider fair compensation for travelling expenses, hotel and other incidental expenses, in addition to his fees for attending such meeting as above specified and the Directors from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Directors in terms of these Articles and may pay the same.

Special Remuneration of Director performing extra service.
136. Subject as mentioned in Article 135, if any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors) the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Directors may act notwithstanding vacancy.
137. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum number fixed, the Directors shall not, except in emergencies or for the purpose of filling up vacancies or for summoning a General Meeting of the Company, act as long as the number is below the minimum, and they may so act notwithstanding the absence of a necessary quorum under the provisions of Article 159.

Office of Directors to be vacated.

138. (1) The office of a Director shall become vacant, if

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudged an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (e) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date for the payment of the call, or unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such Director; or
- (f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer without obtaining leave of absence from the Board; or
- (g) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner, or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
- (h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company, fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 299 of the Act; or
- (i) he becomes disqualified by an order of the Court under Section 203 of the Act; or

(j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of office under Section 284 of the Act; or

(k) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;

(2) Notwithstanding anything contained in sub-clauses (c), (d) and (i) of clause (1) hereof, the disqualification referred to in those sub-clauses shall not take effect—

(a) for thirty days from the date of the adjudication, sentence or order;

(b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication sentence or conviction and the appeal or petition if allowed would result in the removal of the disqualification, until the expiry of seven days from the date on which such appeal or petition is disposed off; or

(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the jurisdiction, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

(3) A Director may at any time give notice in writing to the Company of his decision to resign by delivering such notice to the Company by leaving the same at the Registered Office of the Company and his office shall fall vacant on the acceptance of his resignation by the Board and not before.

Directors may contract with the Company.--

139. Subject to compliance with the provisions of Sections 297, 299, 300 and 314 of the Act and save as therein provided no Director shall be disqualified by his office from holding any office or place of profit under the Company or under any company in which this Company shall be a shareholder or otherwise interested, or from contracting with the Company either as vendor, purchaser, agent, broker, or otherwise nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be void, nor shall any Director be liable to account to the Company for any profit arising from any such contract or arrangement by reason only of such Director holding that office or the fiduciary relations thereby established.

Disclosure of Interest by a Director.

140.(1) Every Director of the Company who is in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into, or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors.

(2) (a) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under Clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration.

or, if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

(b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

(3) (a) For the purposes of Clauses (1) and (2) a general notice to the Board by a Director to the effect that he is a Director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made.

(b) Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further period of one financial year at a time, by a fresh notice given in the last month of the financial year in which it would otherwise expire.

(c) no such general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(d) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and the other company where any one or two or more of the Directors of the Company together holds or hold not more than two per cent of the paid up share capital of the other Company.

Board of Resolution necessary for certain contracts.

141. (1) Except with the consent of the Board of Directors of the Company, a Director of the Company or his relative ~~a~~ a firm in which such a Director or relative is a partner, any other partner in such a firm or a private Company of which the Director is a member or Director, shall not enter into any contract with the Company —

(a) for the sale, purchase or supply of any goods, materials or services; or

(b) For underwriting the subscription of any shares in, or debentures of, the Company.

(2) Nothing contained in sub-clause (1) of clause (1) shall effect —

(a) The purchase of goods and materials from the Company, or the sale of goods and materials to the Company, by any Director, relative, firm, partner or private company as afore-said, for cash at prevailing market price; or

(b) Any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, as the case may be, regular trades or does business.

Provided that such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceed five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

(3) Notwithstanding anything contained in Clause (1) and (2), a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract, but in such a case the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under this Article, shall be accorded by a resolution passed at a meeting of the Board and not otherwise and the consent of the Board required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.

(5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract shall be voidable at the option of the Board.

142. (1) Except with the consent of the Company accorded by a special resolution:—

(a) no Directors of the Company shall hold any office or place of profit and

(b) no partner or relative of such a Director, no firm in which such a Director or relative is a partner or private company of which such a Director is a Director or member, and no Director, or Manager of such a private company shall hold any office or place of profit carrying a total monthly remuneration of rupees five hundred or more except that of Managing Director, Manager, Banker or Trustee for the holders of debentures of the Company.

(i) in the Company; or

(ii) in any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding company.

Provided that it shall be sufficient if the Special Resolution according to the consent of the Company is passed at the General Meeting of the Company held for the first time after holding of such office or place of profit provided further that where a relative of a Director or a firm in which such a relative is a partner, is appointed to an office or place of profit under the company or a subsidiary thereof

without the knowledge of the Director the consent of the Company may be obtained either in the general meeting aforesaid or within three months from the date of the appointment whichever is later.

(2) Nothing in clause (1) shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been to such office or place before such Director becomes a Director of the Company.

(3) If any office or place of profit is held in contravention of the provisions of sub-clause (1) the Director, partner, relative, firm, Private Company, Managing Agents, Secretaries and Treasurers or the Manager concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the general meeting of the Company referred to in the first proviso as the case may be, the date of the expiry of the period of three months referred to in the second proviso to that sub-clause and shall also be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place of profit.

(4) Any office or place shall be deemed to be an office or place of profit under the Company within the meaning of Clause (1) hereof.

(a) in case the office or place is held by a Director, if the Director holding it obtains from the Company anything by way of remuneration over and above the remuneration to which he is entitled as such Director, whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

(b) in case the office or place is held by an individual other than a Director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate, holding it obtains from the Company anything by way of remuneration whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

Loans to Directors etc.

143. Subject to exemption contained in Section 295 of the Act, the Company shall not without obtaining the previous approval of the Central Government in that behalf, directly or indirectly make any loan to, or give any guarantee or provide any security in connection with a loan made by any person to, or to any other person by —

(a) any Director of the Company or any partner or relative of any such Director;

(b) any firm in which any such Director or relative is a partner;

(c) any private company of which any such Director is a director or member;

(d) any body corporate at a general meeting of which not less than twenty-five per cent of the total voting may be exercised

or controlled by any such Director, or by two or more such Directors together; or

- (e) any body corporate, the Board of Directors, Managing Director, or Manager whereof is accustomed to act in accordance with the directions or instructions of the Board or of any Director or Directors, of the Company.

Interested Director not to participate or vote in Board's proceedings.

144. No Director of the Company shall, as a Director, take any part in the discussion of, or vote on, any contract or arrangement, entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly, concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming quorum at the time of any such discussion or vote; and if he does so vote, his vote shall be void, provided however, that nothing herein contained shall apply to:-

- (a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
- (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consist solely:
 - (i) in his being
 - (a) a director of such company; and
 - (b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a director thereof, he having been nominated as such director by the Company, or
 - (ii) in his being a member holding not more than two per cent of its paid-up share capital.

Register of contracts in which Directors are interested.

145.(1) The Company shall keep one or more Registers in which shall be entered separately particulars of all contracts or arrangements to which Sections 297 and 299 of the Act apply, including the following particulars to the extent they are applicable in each case, namely:-

- (a) the date of the contract or arrangement;
- (b) the names of the parties thereto;
- (c) the principal terms and conditions thereof;
- (d) in the case of a contract to which section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies the date on which it was placed before the Board;
- (e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

(2) Particulars of every such contract or arrangement to which Section 297 of the Act, or, as the case may be, sub-section (2) of Section 299 of the Act applies shall be entered in the relevant register aforesaid.

(a) in the case of a contract or arrangement requiring the Board's approval, within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;

(b) in the case of any other contract or arrangement, within seven days of the receipt at the Registered office of the Company of the particulars of such other contract or arrangement whichever is later; and the Register shall be placed before the next meeting of the Board and shall be signed by all the Directors present at the meeting.

(3) The Register aforesaid shall also specify, in relation to each Director of the Company the names of the firms and body corporates of which notice has been given by him under sub-section (3) of Section 299 of the Act.

(4) Nothing in Clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials or services if the value of such goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year.

Director may be a Director of Companies promoted by the Company.

146. A Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 309(6) or Section 314 of the Act may be applicable.

ROTATION OF DIRECTORS Retirement and rotation of Directors.

147. At every Annual General Meeting of the Company, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.

Ascertainment of Directors retiring by rotation and filling up of vacancies.

148. The Directors to retire by rotation under Article 147 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to an agreement among themselves, be determined by lot.

Eligibility for re-election.

149. A retiring Director shall be eligible for re-election.

Company to appoint successors.

150. Subject to Sections 258, 259 and 284 of the Act the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

150 (A) A person who is not a retiring Director shall, in accordance with Section 257 of the Companies Act, 1956, and subject to other provisions of the Act if any, be eligible for appointment to the office of director at any general meeting if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of director or the intention of such member to propose him as a candidate for that office, as the case may be, along with a deposit of Five Hundreded Rupees which shall be refunded to such person or as the case may be, to such member, if the person succeeds in obtaining

151. (1) (a) If the place of the retiring Director is not so filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place.

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless

- (1) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
- (2) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so appointed;
- (3) he is not qualified for appointment;
- (4) a resolution whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act; or
- (5) the proviso to sub-section 280 of the Act is applicable to the case.

Company may increase or reduce the number of Director or may remove any Director.

152. Subject to the provisions of Sections 252, 255 and 259 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualification and the Company may, (subject to the provisions of Section 264 of the Act) remove any Director before the expiration of his period of office and appoint another duly qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Appointment of Directors to be voted individually.

153. (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

(2) A resolution moved in contravention of clause (1) hereof shall be void whether or not objection was taken at the time of its being so moved provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors in default of another appointment as hereinbefore provide shall apply.

(3) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment shall be treated as a motion for his appointment.

154. (1) No person not being a retiring Director shall be eligible for election to the office of Director at any general meeting, unless he or some other member intending to propose him has, at least fourteen clear days before the meeting, left at the office a notice in writing under his hand signifying his candidature for office of Director or the intention of such member to propose him as a candidate for that office, as the case may be.

(2) The Company shall inform its members of the candidature of a person for the office of Director or the intention of a member to propose such person as the candidate for that office, by serving individual notices on the members not less than seven days before the meeting.

Provided that it shall not be necessary for the Company to serve individual notices upon the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the Registered Office of the Company is located of which one is published in the English language and the other in the regional language of that place.

(3) Every person (other than a person who has left at the office of the company a notice under section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign, and file with the Company, his consent in writing to act as a Director, if appointed.

(4) A person other than a Director, reappointed after retirement by rotation shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar, his consent in writing to act as such Director.

Register of Directors etc. and Notification of change to Registrar.

155. (a) The Company shall keep at its Registered office a register containing the particulars of its Directors and other person mentioned in Section 303 of the Act and shall send to the Registrar a return containing the particulars specified in such Register, and shall otherwise comply with the provisions of the said Section in all respects.

Register of Directors' shareholdings.

(b) The Company shall keep at its Registered office a register showing as respects each Director of the Company the number description and amount of any shares in or debentures of the Company or any other body corporate being the Company's subsidiary or holding company or a subsidiary of the Company's holding company which he has any right to become the holder whether on payment or not, as required by section 307 of the Act.

Disclosure by Director of appointment to any other body corporate.

156. (a) Every Director (including a person deemed to be a Director of the Company by virtue of the explanation to Section 303 of the Act) Managing Director, Manager or Secretary of the Company.

who is appointed to, or relinquishes the office of Director, Managing Director, Manager or Secretary of any other body corporate, shall within twenty days of his appointment to, or as the case may be, relinquishment of such office, disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.

Disclosure by a Director of his holdings of shares and Debentures etc.

(b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the company to comply with the provisions of that section. Any such notice shall be given in writing and if it is not given at a meeting of the Board, the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board next after it is given.

PROCEEDINGS OF THE DIRECTORS

157. A meeting of the Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.

Notice of meeting.

158. (1) Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

When meeting to be convened.

(2) A Director may at any time and the Managing Director upon the request of a Director shall convene a meeting of the Board of Directors.

Quorum

159. (a) Subject to Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one third of its total strength (excluding Directors if any, whose places may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher provided that where at any time the number of interested Directors at any meeting exceeds or is equal to two thirds of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be quorum during such time.

(b) For the purposes of Clause (a) hereof:—

(i) "Total Strength" means the total strength of the Board of Directors of the Company as determined in pursuance of the Act, after deducting therefrom the number of the Directors, if any, whose place may be vacant at the time, and

(ii) "Interested Directors" means any Director whose presence cannot by reason of Article 145 hereof or any other provisions

in the Act, count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion of vote on any matter.

Procedure when meeting adjourned for want of quorum

160. If a meeting of the Board could not be held for want of a quorum the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix. Notice of such adjournment shall be given to every Director for the time being in India and at his usual address in India to every other Directors.

Chairman of the Board of Directors.

161. The Board may elect a Chairman from their members and determine the period for which such Chairman to hold office. All the meetings of the Directors shall be presided by the Chairman, if present but if at any meeting of the Directors, the Chairman be not present within five minutes after the time appointed for holding the same then the Directors present at the meeting shall choose one of their number then present to be the Chairman of the meeting.

Questions at Board meetings how decided.

162. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have a second or casting vote.

Power of Board Meeting.

163. A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or these Articles or the regulations for the time being of the Company are vested in or exercisable by the Board of Directors generally.

Directors may appoint Committees.

164. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act and of these Articles delegate any of their powers, other than the powers to issue debentures and make calls, to committees of the Board consisting of such member or members of its body as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.

Meeting of Committee how to be governed.

165. The meetings and proceedings of any such committees of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Articles.

Remuneration of members of committee.

166. Subject to the approval of the Central Government which may be required in that behalf under the Act, the Directors may from time to time fix the remuneration to be paid to any member or members constituting a committee appointed by the Board and may pay the same.

167. (1) A resolution passed by Circular, without a meeting of the Board or a committee of the Board appointed under Article 165 shall subject to the provisions of clause (2) hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a committee duly called and held.

(2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the committee, then in India (not being less in number than the quorum for a meeting of the Board or committee as the case may be) and to all other Directors or members of the committee at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

168. All acts done by any meeting of the Board or by a committee of the Board or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid or that they or any of them were disqualified or that the appointment of any of them was deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director, provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

MINUTES

169. (1) The Company shall cause minutes of all proceedings of General Meeting, and of all proceedings of every meeting of its Board of Directors or of every committee of the Board to be kept by making *thirty* within fourteen days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed —

(a) In the case of minutes of proceedings of a meeting of the Board or of a committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting;

11/10/14
(b) in the case of minutes of proceedings of the general meeting by the Chairman of the said meeting within the aforesaid period of (fourteen) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereof.

(5) All appointments of officers made at any of the meeting aforesaid shall be included in the minutes of the meeting.

(6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain:

(a) the names of the Directors present at the meeting; and

(b) in the case of each resolution passed at the meeting the names of the directors, if any, dissenting from, or not concurring in the resolution.

(7) Nothing contained in Clauses (1) to (4) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting.

(a) is, or could reasonably be regarded as defamatory of any persons;

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.

170. The Minutes of meetings kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.

171. Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board of Directors or of a committee of the Board have been kept in accordance with the provisions of section 193 of the Act, then, until the contrary is proved, the meeting shall be deemed to have duly called and held and all proceedings thereof to have been duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.

172. (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be kept at the Registered office of the Company and shall be open to inspection of members without charge on such days and during such business hours as may, consistently with the provisions of section 196 of the Act, be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

(2) Any member of the company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in clause (1) hereof on payment of 10 Paisa for every one hundred words or fractional part thereof required to be copied.

173. No document purporting to be report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by section 193 of the Act to be contained in the minutes of the proceedings of such meetings.

POWERS OF DIRECTORS

174. The management of the business of the Company shall be vested in the Directors, and the Directors, may exercise all such powers and do all such acts and things as the Company is by its Memorandum of Association or otherwise authorised to exercise and do and are not hereby or by statute directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and of the Memorandum of Association and these Articles and to any regulation not being inconsistent with the Memorandum of Association and these Articles from time to time made by the Company in General Meeting, provided that no such regulation, shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

175. Without prejudice to the general powers conferred by the last preceding Articles and the other powers conferred by these presents and so as not in any way to limit or restrict any or all those powers it is hereby expressly declared that the Directors shall have the following powers.

- (1) To pay the costs charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) To pay and charge to the capital account of the Company any interest lawfully payable thereout under provisions of section 208 of the Act.
- (3) Subject to section 297, and 360 of the Act to purchase or otherwise acquire for the company any property rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (4) At their discretion to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, debenture stock or other securities of the company and such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any such bonds debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings machinery goods, stores, produce and other moveable property of the company either separately or jointly, also to insure all or any portion of the goods, produce, machinery and all other articles imported or exported by the company and to sell, assign, surrender or discontinue any policies of insurance effected in pursuance of this power.
- (6) To open accounts with any Bank or Bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.
- (7) To secure the fulfilment of any contracts or engagements entered into by the company by mortgage or charge of all or any of the properties of the company and its unpaid capital for the time being or in such other manner as they think fit.
- (8) To attach to any share to be issued as the consideration or part of consideration for any contract or property acquired by the Company, such conditions as to the transfer thereof as they think fit.
- (9) To accept from any member on such terms and conditions as shall be agreed a surrender of his share or stock or any part thereof.
- (10) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (11) To institute conduct, defend compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debts due or of any claims or demands by or against the Company.
- (12) To refer any claims or demand by or against the Company to arbitration and observe and perform the award.
- (13) To act on behalf of the Company in all matters relating to bankrupts, and insolvents.
- (14) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (15) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, acquittances, endorsements, cheques, dividend warrants, releases, contracts and documents.

- (16) Subject to the provisions of Sections 292, 293, 295, 369, 370, 372 and 373 of the Act to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such shares, securities (not being the shares of the Company) or any other investments and in such manner as they may think fit and from time to time to vary or realise such investments save as provided in section 49 of the Act all the investments shall be made and held in the Company's own name.
- (17) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or is about to incur any personal liability for the benefit of the Company such mortgage, of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- (18) To provide for the welfare of the Directors or ex-Directors or employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of dwelling houses, or quarters or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident funds or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries medical and other attendance and other assistance as the Directors shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to any other useful institution or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
- (19) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation fund, reserve fund, or sinking fund, or any special fund to meet contingencies or to repay Redeemable Preference Shares, debentures or debenture stock or for special dividends or for equalising dividends or for repairing improving extending and maintaining any part of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may, in their absolute discretion, think conducive to the interest of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by clause 16 and other applicable provisions of the Act) as the Directors may think fit and from time to time to deal with and vary such investments and realise or dispose off and apply and expend all or any part thereof for the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any

part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the reserve fund into such special funds, as the Directors may think fit, and to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company, or in the purchase or re-payment of redeemable preference shares, debentures, or debenture stock and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper not exceeding nine per cent per annum.

(20) Without thereby prejudicing the appointment of the Managing Director and the position, rights and powers of such Managing Director and by virtue of any agreement entered between such Managing Director and the Company to appoint at their discretion, remove or suspend such secretaries, officers, clerks, agents and servants for permanent, temporary or or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and the transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions contained in clause (22) following shall be without prejudice to the general powers conferred by this clause.

(21) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

(22) Subject to the provisions of Section 292 of the Act, generally from time to time and at any time to delegate (with or without powers of sub-delegation) all or any of the powers authorities and discretions for the time being vested in the Directors to any employees of the Company or to any other person, firm or company or otherwise to any fluctuating body of persons.

(23) Subject to the provisions of Sections 294, 297 and 300 of the Act, to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds, things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

Certain powers to be exercised by the Board only at meeting

476. (1) Without derogating from the powers vested in the Board of Directors under Articles the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolution passed at meetings of the Board.

- (a) The power to make calls on shareholders in respect of money unpaid on their shares.
- (b) The power to issue debentures.
- (c) The power to borrow moneys otherwise than on debentures.
- (d) The power to invest the funds of the Company.
- (e) The power to make loans.

PROVIDED that the Board may by resolution passed at a meeting delegate to any committee of Directors, the Managing Director, or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clause (c) (d) and (e) to the extent specified in clause (2) (3) and (4) respectively on such condition as the Board may prescribe.

(2) Every resolution delegating the power referred to in sub-clause (c) of clause (1) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegates.

(3) Every resolution delegating the power referred to in sub-clause (d) of clause (1) shall specify the total amount upto which the funds of the Company may be invested and the nature of the investments which may be made by the delegates.

(4) Every resolution delegating the power referred to in sub-clause (e) of clause (1) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.

(5) Nothing in this Article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clauses (a) (b) (c) and (e) of clause (1) above.

LOCAL MANAGEMENT

Local Board

177. The following provisions shall have effect :-

(1) The Directors may from time to time provide for management of the affairs of the company abroad or in any special locality in India or in any other part of the world in such manner as they shall think fit and the provisions contained in the next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.

(2) The Directors from time to time and at any time establish any local board or agencies for managing any of the affairs of the Company abroad, or in any specified locality in India, or any other part of the world, and may appoint any persons to be members of such local board, or any managers or agents and may fix their remuneration.

(3) Subject to Section 292 of the Act, the Directors from time to time, and at any time, may delegate to any person so appointed, any of the powers, authorities and discretions for the time being vested in the Directors other than the power to make calls or to make loans or borrow moneys and may authorise the members for the time being of any such local board or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions, as the Directors may think fit and the Directors may at any time remove any person so appointed and may, annual or vary any such delegation.

(4) Subject to section 292 of the Act, the Directors may at any time and from time to time by power of Attorney under the Seal, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for period and subject to such conditions, as the Directors may from time to time think fit and any such appointment may (if the Directors think fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any company, firm or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Directors and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Directors think fit.

Sub-delegation.

(5) Any such delegates or attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

(6) The Company may exercise the powers conferred by section 50 of the Act and such powers shall accordingly be vested in the Directors, and the Company may cause to be kept in any states or countries outside India a branch register of members. Subject to the provisions of Section 157 of the Act, the Directors may from time to time make such provisions as they may think fit respecting the keeping of such branch register.

(7) The Directors may comply with the requirements of any local law which in their opinion it shall be in the interests of the Company or expedient to comply with.

SEAL.

178. The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the Seal shall never be used except by or under the authority of the Resolution of the Directors or a committee of Directors in the presence of one Director at least or by the Managing Director who shall sign every instrument to which the seal is affixed.

DIVIDENDS

Division of Profits.

179. The profits of the Company subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

The Company in General Meeting may declare a dividend.

180. The Company in general meeting may declare dividends to be paid to members according to their respective rights and interests in the profits and may fix the time for the payment thereof and the Company shall comply with the provisions of Section 207 of the Act, but on dividends shall exceed the amount recommended by the Board of Directors.

Dividend out of profits and not to carry interest.

181. (1) No dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of Clause (2) or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of moneys provided by the Central Government or State Government for the payment of dividend in pursuance of a guarantee given by that Government:

PROVIDENT THAT:

- (a) If the Company has not provided for depreciation for any previous financial year or years which falls or fall after 28th December 1960, it shall, before declaring or paying dividend for any financial year provide for such depreciation out of the profits of that financial year or out of the profits of any other previous financial year or years.
- (b) If the Company has incurred any loss in any previous financial year or years which falls or fall after 28th December 1960, then the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years, arrived at in both cases after providing for depreciation in accordance with the provisions of Clause (2) or against both;

PROVIDED further that it shall not be necessary for the Company to provide for depreciation as aforesaid where dividend for any financial year is declared or paid out of the profits of any previous financial year or years which falls or fall before 28th December 1960.

- (2) The depreciation shall be provided either:-
- (a) To the extent specified in Section 350 of the Act, or
 - (b) In respect of each item of depreciable asset for such an amount as is arrived at by dividing 95 (ninety-five) per cent of the original cost thereof to the Company by the specified period in respect of such assets, or
 - (c) or any other basis approved by the Central Government which has the effect of writing off by way of depreciation 95 per cent of the original cost to the Company of such depreciable asset on the expiry of the specified period, or
 - (d) as regards any other depreciable asset for which no rate of depreciation has been laid down by the Indian Income-tax Act, 1922, or the Rules made thereunder on such basis as may be approved by the Central Government by any general order published in the Official Gazette or by any special order in the case of the Company.

PROVIDED that where depreciation is provided for in the manner laid down in sub-clause (b) or sub-clause (c), then in the event of the depreciable asset being sold, discarded, demolished or destroyed, the written down value thereof at the end of the financial year in which the asset is sold, discarded, demolished or destroyed shall be written off in accordance with the proviso to Section 350 of the Act.

(3) No dividends shall be payable except in cash.

(4) Provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company

(5) Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.

(6) For the purpose of this Article "Specified period" in respect of any depreciable asset shall mean the number of years at the end of which at least 95 per cent of the original cost of that asset to the Company will have been provided for by way of depreciation. If depreciation were to be calculated in accordance with the provisions of Section 350 of the Act:

What is to be deemed net profit.

182. The declaration of the Board of Directors as to the amount of the net profits of the Company shall be conclusive.

Interim dividend.

183. The Board of Directors may, from time to time pay to the members such interim dividend as in their judgement the position of the Company justifies.

Debts may be deducted.

184. The Directors may retain any dividends on which the Company has a lien any may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Capital paid up in advance at interest not to earn dividend.

185. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

Dividends in proportion to amount paid-up.

156. The Company shall pay dividend in proportion to the amount paid up or credited as paid up on some shares than one others:

Retention of dividends.

187. The Board of Directors may retain the dividends payable upon shares in respect of which any person is under Article 59 entitled to become a member, or which any person under that Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

No member entitled to dividend whilst indebted to the Co. and
Cos. right of reimbursement thereof.

188. No member shall be entitled to receive payment of any interest dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares and the Board of Directors may deduct from the interest or dividend payable to such member all the sums of money so due from him to the Company.

Transfer of shares must be registered.

189. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Dividend to joint-holders.

190. Any one of several persons who is registered as joint-holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.

Dividends how remitted.

191. Unless otherwise directed, dividends may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant, sent through post to the registered address of the member or person entitled thereto or in case of the joint-holdings to that one of them first named in Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transit, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signatures on any payslip or the fraudulent recovery of the dividend by any other means.

Notice of dividend.

192. Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the registered holder of shares in the manner herein provided.

Dividend to be paid within forty-two days..

193. The Company shall pay, the dividend or send warrant in respect thereof to the shareholder entitled to the payment of the dividend, within forty-two days from the date of the declaration of the dividend and shall comply the Provisions of Section 205 A of the Companies Act 1956, except :-

(a) Where the dividend could not be paid by reason of the operation of any law;

(b) Where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with;

(c) Where there is a dispute regarding the right to receive the dividend.

(d) Where the dividend has been lawfully adjusted by the Company against any sum due to it by the shareholder, or

(e) Where, for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company, no unclaimed dividend shall be forfeited by the Board.

Dividend and call together.
194. Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members be set off against the calls.

CAPITALISATION

Capitalisation.

195. (1) Subject to the provisions of Section 78 of Act, the Company in general meeting may, upon the recommendation of the Board, resolve :-

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in Clause (2) hereof amongst the members who would have been entitled thereto, if distributed by way of dividend; and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in Clause (3) either in or towards :-

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

- (iii) partly in the way specified in sub-clause (i) and partly in the way specified in sub-clause (ii).

(3) A share premium account and a capital redemption reserve account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Fractional Certificate.

196. (1) Whenever such a resolution as aforesaid shall have been passed the Board shall —

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, to all allotments and issues of fully paid shares or debentures, if any; and

(b) generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and also

(b) To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on all such members.

BOOKS AND DOCUMENTS

Books to be kept by the Company.

197. (1) The Company shall keep at its registered office proper books of account as would give a true and fair view of the state of the affairs of the Company or its branch office as the case may be and to explain its transactions with respect to:—

(a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;

(b) all sales and purchases of goods by the Company;

(c) the assets and liabilities of the Company; and

(d) in the case of a Company pertaining to any class of companies engaged in production, processing, manufacturing or mining activities, such particulars relating to utilisation of material

or labour or to other items of cost, as may be prescribed. If such class of Companies is required by the Central Government to include such particulars in the Books of Account.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide, and when the Board of Directors so decides, the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of Clause (1) if proper books of account relating to transactions effected at the branch office are kept at that office and proper summarised returns made upto date at intervals of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in Clause (1) and

(3) The books of account shall be open to inspection by any Director during business hours.

Inspection by members.

197.A(a) The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection by the members not being Directors.

(b) No member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

ACCOUNT AND BALANCE SHEET

Statements of Accounts to be furnished to General Meeting.

198 The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.

Form and contents of Balance Sheet and Profit & Loss Account

199. (1) Every Balance Sheet of the Company shall give a true and fair view of the state of affairs of the Company as at the end of the financial year and shall be subject to the provisions of Section 211 of the Act, be in the form set out in Part I of Schedule VI to the Act or as near thereto as circumstances admit or in such other form as may be approved by the Central Government either generally or in particular case of the Company, and in preparing the Balance Sheet due regard shall be had as far as may be possible to the general instructions for preparation of Balance Sheet under the heading 'Notes' at the end of that part.

(2) Every Profit and Loss Account of the Company shall give a true and fair view of the profit or loss of the Company for the financial year and shall comply with the requirements of Part II of Schedule VI to the Act, so far as they are applicable thereto.

Authentication of Balance Sheet and Profit and Loss Account.

200. (1) Every Balance Sheet and Profit and Loss Account of the Company shall be signed on behalf of the Directors by the Managing Director, or Secretary, if any, and by not less than two Directors of the Company provided that if there is only one Director present in India at the time, the Profit and Loss Account and Balance Sheet shall be signed by such Director but in such a case there shall be subjoined to the Profit and Loss Account and Balance Sheet a Statement signed by such Director explaining the reason for non-compliance with the aforesaid provisions requiring the signature of two Directors.

(2) The Balance Sheet and the Profit and Loss Account shall be approved by the Directors before they are signed on their behalf and before they are submitted to the auditors for their report thereon.

(3) The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors' Report (including the auditors' separate special or supplementary report, if any) shall be attached thereto.

Directors' Report.

201. (1) There shall be attached to every Balance Sheet laid before the Company in general meeting, report by its Directors with respect to:—

- (i) the state of the Company's affairs;
- (ii) the amounts, if any, which they propose to carry to any reserves either in such Balance Sheet or in a subsequent Balance Sheet;
- (iii) the amount, if any, which they recommend should be paid by way of dividend; and
- (iv) the material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

(2) The Directors' Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Directors' opinion be harmful to the business of the Company or of any of its subsidiaries, if any, deal with any changes which have occurred during the financial year—

- (a) in the nature of the Company's business;
- (b) in the Company's subsidiaries, if any, or in the nature of the business carried on by them; and
- (c) generally in the classes of business in which the Company has an interest.

2A) (a) The Board's report shall also include a statement showing the name of every employee of the Company who

201 (1) (v) the conservation of energy, technology absorption, foreign exchange earnings and outgo in such manner as may be prescribed under Section 217 of the Companies Act, 1956.

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than the sum as may be prescribed under the Act or
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which in the aggregate was not less than the sum as may be prescribed under the Act, or
- (iii) if employed throughout the financial year or part thereof was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two per cent. of the equity shares of the Company.

(b) The aforesaid statement shall also indicate :-

- (i) Whether any such employee is a relative of any director or manager of the Company; and if so, the name of such director, and
- (ii) such other particulars as may be prescribed under the Act.

Explanation: "Remuneration" has the meaning assigned to it in the Explanation to Section 198.

(3) The Directors shall give the fullest information and explanation in the report aforesaid or in cases falling under the proviso to Section 222 of the Act, in an addendum to the report on every reservation, qualification or adverse remark contained in the Auditors' Report.

(4) The Directors' report and any addendum thereto shall be signed by its Chairman if he is authorised in that behalf by the Directors; and where he is not so authorised, shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of clauses (1) and (2) of the preceding Article.

Right of member to copies of Balance Sheet and Auditors' Report.

202. (1) A copy of every Balance Sheet (including the Profit and Loss Account, Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Balance Sheet which is to be laid before the Company in general meeting shall, not less than twenty-one days before the date of the meeting be sent to every member of the Company to every holder of debentures, if any, issued by the Company (not being debentures which ex-facie are payable to the bearer thereof) to every trustee for the holders of any debentures issued by the Company (whether such member, holder or trustee is or not entitled to have notice of general meetings of the Company sent to him), and to all persons other than such members, holders, or trustees, being persons so entitled, provided that it shall not be necessary to send copies of the documents aforesaid.

(ii) to a member or holder of debentures of the Company, who is not entitled to have notices of general meeting of the Company sent to him and of whose address the Company is unaware:

(iii) to more than one of the joint-holders of any shares or debentures none of whom is entitled to have such notice sent to him:

in the case of jointholders of any shares or debentures, some of whom are not entitled to have such notices sent to them, those who are not so entitled.

PROVIDED that if copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting, they shall notwithstanding that fact, be deemed to have been duly sent, if it is so agreed by all the members entitled to vote at the meeting.

(2) Any member or holder of debentures of the Company whether or he is not entitled to have copies of the Company's balance sheet sent to him shall, on demand be entitled to be furnished without charge and any person from whom the Company has accepted a sum of money by way of deposit shall, on demand accompanied by the payment of a fee of one Rupee, be entitled to be furnished, with a copy of the last Balance Sheet of the Company and of every document required by law to be annexed or attached thereto, including the Profit and Loss Account and the Auditor's Report.

Three copies of Balance Sheet etc. to be filed with Registrar.

203. (1) The Company shall within thirty days after the Balance Sheet and Profit and Loss Account shall have been laid before the Annual General Meeting file with the Registrar of Companies three copies of the Balance Sheet and the Profit and Loss Account, signed by a Director of the Company together with three copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Profit and Loss Account.

(2) If any Annual General Meeting of the Company before which a Balance Sheet is laid as aforesaid does not adopt the Balance Sheet, a statement of that fact and of the reasons therefore shall be annexed to the Balance Sheet and to the copies thereof required to be filed with the Registrar of Companies.

AUDIT

Account to be audited.

204. Auditors shall be appointed, and their duties governed in accordance with Sections 224 to 231 of the Act or any statutory modification thereof for the time being in force.

NOTICES

Service of documents on members by the Company.

205. (1) A document or notice may be serviced by the Company on any member thereof either personally or by sending it by Post to him at his registered address, or if he has no registered address in India, to the address if any, within supplied by him to the Company for the giving of notices to him.

(2) Where a document or notice is sent by post.

(a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or the notice, provided that where a member has intimated to the Company in advance that documents should

202A : Within the meaning of Provisions of section 219 of the Companies Act, 1956, the Company may send the statement containing the salient features of the documents required to be laid before the Annual General Meeting in respect of Balance Sheet and Profit and Loss Account to every member of the Company and every Trustees for their holders of any debentures issued by the Company not less than 21 days before the date of the meeting. On sending the above referred Abridged Balance Sheet, it will not be necessary for the Company to send Balance sheet and the Profit and Loss Account as mentioned in article 202.

be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

(b) such notice shall be deemed to have been effected;

(i) in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted

(ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

(3) A document or notice advertised in a newspaper circulating in the neighbourhood of the Registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India, and has not supplied to the Company any address within India for the giving of notices to him.

(4) A document or notice may be served by the Company on the joint-holders of shares by serving it on the joint-holder named first in the Register in respect of the Shares.

(5) A document or notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title or legal representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.

(6) Any notice to be given by the Company may be signed by the Managing Director, Secretary or any other officer as the Directors may appoint.

(7) The signature to any document or notice to be given by the Company, may be written or printed or lithographed.

Service of documents on Company.

206. A document may be served on the Company or on officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its registered office.

Service of documents on Registrar.

207. A document may be served on Registrar of Companies by sending it to him at his office by post under a certificate of posting or by registered post or by delivering it to or leaving it for him at his office.

“Notwithstanding anything in the Companies Act, 1956 or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs”

208. Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Director, the Secretary or other authorised officer of the Company and need not be under Common Seal of the Company.

WINDING UP

Distribution of assets.

209. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets, shall be distributed so that, as nearly as may be the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of the winding up. If the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by them respectively. But this Article is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind.

210. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like sanction, shall think fit.

(2) If thought expedient, any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 494 of the Act.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the Special Resolution by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

Rights of share-holders in case of sale.

211. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 595 of the Act, may subject to the provisions of the Act, in like manner as aforesaid determine that any shares or other consideration receivable by the liquidators

be distributed amongst the members otherwise than in accordance with their existing rights, and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said Section.

SECRECY CLAUSE

Secrecy Clause.

212. No member shall be entitled to visit or inspect any factory of the Company without the permission of the Directors, or Secretary or to require discovery of any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company, and which, in the opinion of the Directors, will be inexpedient in the interests of the members of the Company to communicate to the public.

INDEMNITY

Indemnity.

213. Subject to the provisions of Section 201 of the Act, every Director, or officer or servant of the Company or any person (whether an officer or servant of the Company or not) employed by the Company as auditor, shall be indemnified out of the funds of the Company and it shall be the duty of the Directors out of the funds of the Company to pay, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or committed to, be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wilful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such director, officer or auditor in defending any proceedings whether civil or criminal in which judgement is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

Individual responsibility of Director.

214. Subject to the provisions of the Act, no Director, auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

Dated this 20th day of June 1945

Name of Subscribers	Address and description of Subscribers	No. of shares taken by each Subscriber	Name, address & Description of Witness
Ratlal Nathalal	Mill Agent New Commercial Mills, Ahmedabad.	100
Dahyabhai Chhotalal	Mill Agent Chhotalal Mills, Kalol, G.B.S. Rly.	100	
Bhagubhai Chandulal Chandulal Madhavilal Jointly.	Merchants Both Residing at Kadava Pole, Dariapur, Ahmedabad.	100	M.M. Thakore Principal Law College, Ellis Bridge, Ahmedabad.
Rasiklal C. Parekh	Mill Agent Jupiter Mills, Ahmedabad.	100	
Anandlal Hiratal Sheth	Merchant 'Paradise' St. Road, Baroda.	100	
Dhirajlal Khusaldas	Mill Agent Maheshwari Mills, Ahmedabad.	100	A.J. Patel Ellis Bridge, Ahmedabad
Madhusudan Chimanlal	Merchant Rakhial A.P. Rly.	100	