

UNDER THE COMPANIES ACT, 1956
(1 OF 1956)
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CHECKPOINT TRENDS LIMITED*****

Table "A" not to
apply but
Company to be
governed these
Articles

1. No regulations contained in the Table "A" in the First Schedule to the companies Act, 1956, shall apply to this company, but 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 with references to the repeal or alteration of, or addition to, its regulations by special Resolution, as prescribed by the Companies Act, 1956, be such as are contained in these Articles.

INTERPRETATION

Interpretations
clause

2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context.

"The Act"

The "Act " means the Companies Act, 1956, or any statutory modification of reenactment thereof for the time being in force.

*****Note: Altered vide Special Resolution Passed by Members through Postal ballot dated April 6, 2022



"The se Articles"	"These Articles" mean Articles of Association for the time being or as altered from time to time by Special Resolution.
"Auditors"	"Auditors" means and includes those persons appointed as such for the time being of the company.
"Board" or "Board of Directors"	"Board" or "Board of Directors" means the Board of Director of the company or the Directors of the Company collectively
"Capital"	"Capital" means the share capital for the time being raised or authorised to be raised for the purposes of the company.
"Chairman"	"The Chairman" means the chairman of the Board of Directors for the time being of the Company.
"Charge"	"Charge" includes a mortgage.
"The Company" or "This Company"	"The Company" or "This Company" means (CHECKPOINT TRENDS LIMITED) *****
"Debenture"	"Debenture" includes Debenture stock, bonds and other securities of the Company, whether constituting a charge on the assets of the company or not.
"Directors"	"Directors" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting upon a Circular Resolution under the Articles.
"Dividend"	"Dividend" includes bonus.
"Executor" or "Administrator"	"Executor" or "Administrator" means a person who has obtained probate or letter of administration as the case may be, from a court of competent jurisdiction and shall include holder of a Succession Certificate authorising the holder thereof to negotiate or transfer the share or shares of the deceased member and shall also include the holder of a certificate granted by the Administrator General under section 31 of the Administrator Generals Act, 1963.
"Gender"	Words importing the masculine gender shall include the feminine gender.
"In writing" and "Written"	"In Writing" and "Written include printing, lithography and other modes of representing or reproducing words in a visible form.
"Legal Representative"	"Legal Representative" means a person who in law represents the estate of a deceased Member.
"Marginal Notes"	The marginal notes here to shall not affect the construction there of.
"Members"	"Members" means the duly registered holders, from time to time of the shares of the Company and includes the subscribers to the Memorandum of the Company.
"Meeting or Genreal Meeting"	"Meeting" or "General Meeting" means a meeting of the members.
"Annual General Meeting"	"Annual General Meeting" means a general meeting of the members held in accordance with the provisions of Section 166 of the Act.

*****Note: Altered vide Special Resolution Passed by Members through Postal ballot dated April 6, 2022



Handwritten signature/initials in blue ink.

"Extra-ordinary General Meeting"	"Extra-ordinary General Meeting" means an extraordinarily general meeting duly called and constituted and any adjourned holding thereof.
"Month"	"Month" means a calendar month.
"Office"	"Office" means the registered office for the time being of the Company.
"Ordinary Resolution"	"Ordinary Resolution" shall have the meaning assigned to it by subsection (1) of Section 189 of the Act.
"Paid-up"	"Paid-up" includes credited as paid up.
"Persons"	"Persons" includes corporations, body corporates and individuals.
"Proxy"	"Proxy" means an instrument whereby any person is authorised to attend a meeting and vote for a member at the general meeting on a poll.
"The Register of Members"	"The Register of Members" means the register of members to be kept pursuant to Section 150 of the Act.
"The Registrar"	"The Registrar" means the Registrar of Companies Andhra Pradesh.
"The Company's Regulations"	"The Company's Regulations" means the regulations for the time being for the management of the Company.
"Seal"	"Seal" means the Common seal for the time being of the Company.
"Secretary"	"Secretary" means any individual possessing the prescribed qualifications under the Companies (Secretaries Qualifications) Rules 1975, appointed by the Board to perform the duties of a Secretary.
"Share"	"Share" means share in the share capital of the Company and includes stock where a distinction between stocks and shares is expressed or implied.
"Special Resolution"	"Special Resolution" shall have the meaning assigned thereto by sub-section (2) of Section 189 of the Act.
"The Statutes"	"The Statutes" means the Companies Act, 1956, and every other Act for the time being in force affecting the Company.
"Year"	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (17) of the Act.
Singular Number	Words importing the singular number include where the context admits or requires, the plural number and vice versa.
Expression in the Act to bear the same meaning in Articles.	Save as aforesaid any words and expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof for the time being in force.

CAPITAL

3. The Authorised Share Capital of the Company is Rs. 8,20,00,000/- (Rupees Eight Crores Twenty Lacs only) divided into 82,00,000 (Rupees Eighty Two Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each.*****

******* Altered by the Members Resolution through Postal Ballot on September 11, 2017.**

10.00 (Rs. Ten Only) With Power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach there to respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined and to vary, modify or abrogate any such rights privileges or conditions in such manner as may for the time being be provided by the articles of Associations of the Company.

Increase of
Capital by the
Company and
how carried into
effect

4. The Company in general meeting may, by ordinary resolution from time to time, increase the capital by the creation of new shares, such increase to be such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act.

New Capital
same as
existing capital

5. Except in so far as otherwise provided by the conditions of issues or by these Articles any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Redeemable
preference
shares

6. Subject to the provisions of Section 80 of the Act the Company shall have the power to issue preference shares which 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.

Provisions to
apply on Issue
of Redeemable
Preference
Shares

7. On the issue of redeemable preference shares under the provisions of Articles 7 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 the 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 such 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 capital of the Company.
 - (e) Subject to the provisions of Section 80 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 Director may think fit.

Reduction of
Capital

8. The Company may (subject to the provisions of Section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by special resolution, reduce (a) its share capital (b) any capital redemption reserve account or (c) its share premium account in any manner for the time being, authorised by law 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.

Consolidation,
division, sub-
division and
cancellation of
shares

9. Subject to the provisions of Section 94 of the Act, the Company in general meeting may from time to time 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 larger 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 the share from which the reduced share is derived.
- (c) Cancel any share which, at the date of the passing of the resolution have not been taken or agreed to be 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-clauses (a), (b) and (c) the Company 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, divided, sub-divided or cancelled.

Modification of
rights

10. Whenever the capital, by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter 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 have if this article was omitted.

The rights conferred upon the holders of the shares, (including preference shares, if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly the terms of the issue of share of that class be deemed not to be modified commuted affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *Pari Passu* therewith.

SHARES AND CERTIFICATES

Restriction on
allotment and
Return of
allotment

11. The Board of Directors shall observe the restrictions as to allotment of shares to the public contained in Section 69, 70 and 73 of the Act, and shall cause to be made the returns as to allotment provided for in section 75 of the Act.

12. Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of unissued share capital or out of increased share capital, the provisions of Section 81 of the Act or any other applicable provisions of Act or any other law for the time being in force or any agreement entered into by the Company with any of the institutions shall be complied with.

Share under
control of
Directors

13. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times, as they think fit and with full power subject to the sanction of the Company in general meeting to give any person the option to call for or be allotted shares of any class of the Company either at a premium or at par or at a discount subject to the provisions of Sections 78 and 79 of the Act and for such time and for such consideration as the Directors think fit.

Application of
premium
received on
shares

14. (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 "SHARE PREMIUM ACCOUNT" and the provisions of the Act relating to the reduction of the shares capital of the Company shall except as provided in this article, apply as if the share premium account were paid up share capital of the Company.
- (2) The share premium account may, notwithstanding anything in 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 the commission paid or discount allowed, on any issue of shares or debentures of the Company, or
- (d) in providing for the premium payable on the redemption of any redeemable Preference Shares or of any debentures of the Company.

Power also to
Company in
General
Meeting to issue
shares.

15. In addition to and without derogating from the powers for that purpose conferred on the Board under Article 13 and 14, the Company in General Meeting may subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or on any increased capital of the Company) be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either at a premium or at part or at discount (subject to compliance with the provisions of Sections 78 and 79 of the Act) as such general meeting shall determine and with full power to give any person (whether a member 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 at a discount subject to compliance with the provisions of Section 78 and 79 of the Act) such option being exercisable at such time and for such consideration as may be directed by such general meeting or the Company in general meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.

Shares at a
discount

16. The Company may issue at a discount shares in the Company of a class already issued, if the following conditions are fulfilled, namely :
- (i) the issue of the shares at a discount is authorised by a resolution passed by the Company in general meeting and sanctioned by the Court;

- (ii) the resolution specifies the maximum rate of discount (not exceeding ten per cent or such higher percentage as the Central Government may permit in any special case) at which the shares are to be issued; and
- (iii) the shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Court or within such extended time as the Court may allow.

Installments on
shares to be
duly paid

17. If by the conditions of any allotment of any shares the whole or any part of the amount or issue price thereof shall be payable by installments 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 shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest, forfeiture and the like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made and notified as hereby provided.

The Board may
issue shares as
fully paid-up

18. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment of any property sold or transferred or for service rendered to the Company in the conduct of its business or in satisfaction of any outstanding debt or obligation of the Company and any shares which may be so issued shall be deemed to be fully paid-up shares.

Acceptance of
shares

19. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share 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 therefore placed on the register shall, for the purpose of these Articles, be a member.

Deposit and
Call etc. to be a
debt payable

20. The money, if any, which the Board of Directors shall, on the allotment of any shares being made by them, requires or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allotted 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

21. Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay to the Company the portion 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.

Share
Certificates

22. (a) Every member or allottee of shares shall be entitled, without payment, to receive one certificate or at all the shares of the same class registered in his name. Every share certificate shall specify the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the share to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares PROVIDED THAT if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it think fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence. The

Certificates of title to shares shall be issued under the Seal of the Company and shall be signed in conformity with the provisions of the Companies (issue of Share Certificates) Rules, 1960, or any statutory modification or re-enactment thereof for the time being in force, Printing of blank forms to be used for issue of Share Certificates and maintenance of books and documents relating to issue of Share Certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within ten weeks of closure of subscription allotment and within one month after the application for the registration of the transfer of any such shares unless the conditions of issue of shares, provide otherwise.

- (b) Any two or more joint allottees or holders of shares shall for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject to joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

Renewal of
share
Certificate

23. No Certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been fully utilised unless the certificate in lieu of which it is issued is surrendered to the Company.

PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised..

New
Certificates to
be granted on
delivery of the old
certificates

24. New certificates shall not be granted under the provisions of the foregoing article except upon delivery of the worn out or defaced or used up certificate for the purpose of cancellation, and upon proof of destruction or loss, and upon such terms, if any, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Board of Directors may think fit in the case of any certificate having been destroyed, lost or defaced beyond identification.

The first name
of Joint Holders
deemed sole
holder

25. If any shares stands in the names of the two or more persons, the person first named in the Register shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a share, shall severally as well as jointly be liable for the payment of all installment and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

Company not
bound to
recognise any
Interest in share
other than of
registered
holder

26. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof, but the Board shall be at liberty at their sole discretion, to register any share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Trusts not
recognised

- (a) 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, future or partial or other claim, or claims, or right to or interest in such share on the part of any

other person whether or not it shall have express or implied notice thereof. The provisions of Section 153 of the Act shall apply.

- (b) Shares may be registered in the name of an Incorporated Company or other body corporate but not in the name of a minor except when they are acting through their legal guardians or curators or in the name of a person of unsound mind or in the name of any firm or partnership.

Funds of
Company not to
be applied in
purchase of
shares of the
Company

27. 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 effected and sanctioned in pursuance of Sections 78,80 and 100 to 105 of the Act and these Articles 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 made by any person, of or for any share in the Company or in its holding Company.

UNDERWRITING AND BROKERAGE

Commission
may be paid

28. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures of the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment by cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other.

Brokerage

29. The Company may on any issue of shares or debentures pay such brokerage as may be reasonable and lawful.

Commission to
be included in
the Annual
Return

30. 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 Returns as required by Part I of Schedule V to the Act.

Interest out of
capital

31. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to Capital as part of the cost of construction of the work or building or the provision of the plant.

DEBENTURES

Debentures with
voting rights not
to be issued

32. (a) The Company shall not issue any debentures carrying voting rights any meeting of the Company whether generally or in respect of particular classes of business, Debentures, debenture stock, bonds or other securities with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- (b) The Company shall have power to re-issue redeemed debentures in certain cases in accordance with Section 121 of the Act.

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| <p>Limitation of time for issue of certificate</p> <p>Right to obtain copies of and inspect trust deed</p> | <p>(c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act.</p> <p>(d) Certain charges (which expression includes mortgages) mentioned in Section 125 of the Act shall be void against the Liquidator or Creditors unless registered as provided in Section 125 of the Act.</p> <p>(e) A contract with the company to take up and pay debentures of the company may be enforced by a Decree for specific performance.</p> <p>(f) Unless the conditions of issue thereof otherwise provide the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock, and within one month after the application for the registration of the transfer of any such debentures or debenture-stock have complete and ready for delivery the certificates of all debenture-stock allotted or transferred.</p> <p>(g) The Company shall comply with the provisions of Section 118 of the Act as regards supply of copies of Debenture Trust Deed and inspection thereof.</p> <p>(h) The Company shall comply with the provision of Section 124 to 145 (inclusive) of the Act as regards registration of charges.</p> |
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CALLS

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| <p>Directors may make calls</p> | <p>33. Subject to the provisions of Section 91 of the Act the Board of Directors may from time to time, by a Resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as it thinks fit upon the members in respect of all money unpaid on the shares whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by instalments. A call may be postponed or revoked as the Board may determine.</p> |
| <p>Notice of calls</p> | <p>34. Not less than thirty day's notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.</p> |
| <p>Calls to date from resolution</p> | <p>35. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.</p> |
| <p>Directors may extend time</p> | <p>36. The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time to all or any of the members the Board of Directors may deem fairly entitled to such extension ; but no member shall be entitled to such extension as of right except as a matter of grace and favour.</p> |
| <p>Amount payable at fixed time or by instalments to be treated as calls</p> | <p>37. If by the terms of issue of any share or otherwise amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount on instalment shall be payable as if</p> |

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it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

When interest
on call or
instalment
payable

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

Evidence in
actions by
Company
against
shareholders

39. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any moneys claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered and entered on the register of member as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which the money is sought to be recovered that the resolution making the call is duly recorded in the minute book ; and the notice of such call was duly given to the member or his legal representatives sued in pursuance of these Article and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted 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

40. The Board of Directors may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the money so paid up in advance or so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board of Directors may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct not less than 15% p.a. as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months notice in writing. Money so paid in advance of the amount or calls shall not confer a right to participate in profits or dividend.

No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

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Company to
have on shares

41. The Company shall have a first and paramount lien upon all 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 sale thereof, for all money (whether presently payable or not), called or payable at a fixed time in respect of such shares and no equitable interests in any such share shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends from time to time declared in respect of shares. PROVIDED THAT the Board of Directors may, at any time, declare any share to be wholly or in part exempt from the provisions of this Article.

Provided further that registration of transfer of shares by the Board will operate as a waiver of lien on those shares.

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| To enforcing lien of sale | 42. | <p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same, PROVIDED THAT no sale shall be made :</p> <p>(a) unless a sum in respect of which the lien exists is presently payable ; or</p> <p>(b) until the expiration of fourteen 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. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their members to execute a transfer thereof on behalf of and in the name of such members.</p> <p>(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p> |
| Procreation of deeds of sale | 43. | <p>(1) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to alike lien for sums not presently payable as existed on the share before the sale)</p> |
| If money payable on share not paid notice to be given | 44. | <p>If any member fails to pay the whole or any part of any call or any instalments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued by the Company by reason of such non-payment.</p> |
| Sum payable on allotment to be deemed a call | 45. | <p>For the purposes of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.</p> |
| Form of notice | 46. | <p>The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate not exceeding Eighteen per cent per annum as the directors may determine are to be paid. The notice shall also state that, in the event of the 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.</p> |
| In default of payment shares to be forfeited | 47. | <p>If the requirements of any such notice as aforesaid are not complied with, any share or shares in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalment, interest be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.</p> |
| Notice of forfeiture to a member | 48. | <p>When any share shall have been so forfeited, notice of the forfeiture shall be given the members in whose name it stood immediately prior to the forfeiture, and an entry of</p> |

it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

When interest
on call or
instalment
payable

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

Evidence in
actions by
Company
against
shareholders

39. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any moneys claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered and entered on the register of member as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which the money is sought to be recovered that the resolution making the call is duly recorded in the minute book ; and the notice of such call was duly given to the member or his legal representatives sued in pursuance of these Article and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted 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

40. The Board of Directors may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the money so paid up in advance or so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board of Directors may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct not less than 15% p.a. as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months notice in writing. Money so paid in advance of the amount or calls shall not confer a right to participate in profits or dividend.

No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

LIEN

Company to
have on shares

41. The Company shall have a first and paramount lien upon all 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 sale thereof, for all money (whether presently payable or not), called or payable at a fixed time in respect of such shares and no equitable interests in any such share shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends from time to time declared in respect of shares. PROVIDED THAT the Board of Directors may, at any time, declare any share to be wholly or in part exempt from the provisions of this Article.

Provided further that registration of transfer of shares by the Board will operate as a waiver of lien on those shares.

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| To enforcing lien of sale | 42. | The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same, PROVIDED THAT no sale shall be made :
(a) unless a sum in respect of which the lien exists is presently payable ; or
(b) until the expiration of fourteen 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. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their members to execute a transfer thereof on behalf of and in the name of such members.
(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. |
| Procreation of deeds of sale | 43. | (1) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and
(2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to alike lien for sums not presently payable as existed on the share before the sale) |
| If money payable on share not paid notice to be given | 44. | If any member fails to pay the whole or any part of any call or any instalments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued by the Company by reason of such non-payment. |
| Sum payable on allotment to be deemed a call | 45. | For the purposes of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment. |
| Form of notice | 46. | The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate not exceeding Eighteen per cent per annum as the directors may determine are to be paid. The notice shall also state that, in the event of the 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 | 47. | If the requirements of any such notice as aforesaid are not complied with, any share or shares in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalment, interest be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture. |
| Notice of forfeiture to a member | 48. | When any share shall have been so forfeited, notice of the forfeiture shall be given the members in whose name it stood immediately prior to the forfeiture, and an entry of |

time to time determine and it shall be held either at the Registered Office of the Company or at some other place within the City or town in which the Registered Office of the Company is situated for the time being.

- (3) Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.

Report,
Statement and
registers to be
laid before the
annual general
meeting

86. The Company shall in each year lay on the Table at the Annual General Meeting the Directors' Report and Audited Statement of Accounts, Auditor's Report (if not already incorporated in the Audited Statement of Accounts), the proxy register with proxies, and the Register of Directors Shareholdings which latter Register shall remain open and accessible during the continuance of the meeting.

Extraordinary
General
Meeting

87. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Circulation of
Member's
Resolution

88. (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 Annual General Meeting otherwise resolves) at the expense of the requisitionists :

(a) give to the 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 that 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 lakh in all.

- (3) Notice of any such resolution shall be given & any 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 members 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 requisitionists signed by the requisitionists (or two or more copies which between them contain the signature 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 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, and 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 not be bound under this Article 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 Articles contained, the business which may be dealt with at an Annual General Meeting shall include any resolution of which notice is given in accordance with this Article and for the purpose of this clause notice shall be deemed to have been so given notwithstanding the accidental omission in giving it to one or more members.

Extraordinary
general meeting
by Board and by
requisition

89. (1) 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 Extra-ordinary -General Meeting of the Company.

When a Director
or an two
members may
call an
extraordinary
general meeting

- (2) If at any time there are not within India sufficient directors capable of acting to form a quorum, or if the number of directors be reduced in number to less than the minimum number of director prescribed by these Articles and the continuing directors fail or neglect to increase the number of directors to that number or to convene a general meeting, any director or any two or more members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call an extra-ordinary general meeting in the same manner as nearly as possible as that in which meetings may be called by the Directors.

Contents of
requisition and
number of
requisitionists
required and the
conduct of
meeting

90. In case of requisition the following provisions shall have effect :-

- (1) The requisition shall set out the matters for the consideration of which the meeting is to be called and 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 share 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 provisions of sub-clause (3) shall apply separately in regard to 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 deposit of 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 :-
- by the requisitionists themselves, or
 - by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of the paid up share capital of the Company as is referred to in sub-clause (3) whichever is less. PROVIDED that for the purpose of this sub-clause the Board shall, in the case of 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 189 of the Act.
- (6) A meeting called under clause (5) by requisitionists or any of them :-
- shall be called in the same manner, as nearly as possible, as that in which meeting is to be called by the Board, but
 - 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 on a notice calling a meeting by one or some only of them shall for the purposes of this Article have the same force and effect as if it 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 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

91. (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 called after giving shorter notice than that specified in clause (1) hereof if consent is accorded thereto;
- in the case of an annual general meeting by all the 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 percent of such part of the paid up share capital of the Company as gives a right to vote at the meeting.

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 purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.

Contents and
manner of
service of
notice

92. (1) Every notice of a meeting of the Company shall specify the place and the day 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-section (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 prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignee of the insolvent, or by 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 Audit 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 meetings 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 with reasonable prominence that a member entitled to attend and vote at the meeting is entitled to appoint one or more proxies 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

93. (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 reports of the board of Directors and Auditors;
- (ii) The declaration of dividend ;
- (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 such item of business including in particular the nature of the concern or interests, if any, therein of every Director.

PROVIDED that where any such item of special business 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.

(3) Where any item of business consists of the 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.

Omission to
give notice not
to invalidate
proceedings.

94. The 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

95. No general meeting, annual or extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.

Quorum

96. Five members entitled to vote and present in person shall be quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. President of India or the Governor of a State being a member of the Company shall be deemed to be personally present if he is represented in accordance with Section 187A of the Act.

If Quorum not
present when
meeting to be
dissolved and
when to be
adjourned

97. 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 by or upon the requisition of members shall stand dissolved and in any other case the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday 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.

98. 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

99. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Vice-Chairman, if any, shall be entitled to take the chair. If the Vice-Chairman is also not presents or is unwilling to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect

- one of the members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on 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 confined to election of Chairman whilst chair vacant. 100. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.
- Chairman may adjourn meeting. 101. (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 of or of the business to be transacted at any adjourned meeting.
- How questions to be decided at meetings 102. Every question submitted to a general meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
- Chairman's declaration of result of voting on show of hands 103. A declaration by the Chairman of the meeting that on a show of hands, a resolution 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 Poll 104. (1) Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on demand made in that behalf by the person or persons specified below, that is to say :
- (a) by at least five members having the right to vote on the resolution and present in person or by proxy ; or
- (b) by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution ; or
- (c) by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which aggregate sum has been paid up which is not less than one-tenth of the total sum paid-up on all the shares conferring that right.
- (2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
- Time of taking poll 105. A poll demanded on any 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) 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 and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Chairman's
casting vote.

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

Scrutineers at
poll

107. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutines to scrutines the vote given on the poll and to report thereon to him. One of the scrutines 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 the scrutineer arising from such removal or from any other cause.

Demand for poll
not to prevent
transaction of
other business.

108. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Special notice.

109. Where by any provision contained in the Act or in these Articles special notice is required for 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 gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

VOTES OF MEMBERS

Members
paying money in
advance not to
be entitled to
vote in respect
thereof.

110. A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

Restriction on
exercise of voting
rights of members.
Who have not paid
calls.

111. No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

Number of
votes to which
member
entitled.

112. Subject to the provisions of Article 113 every member of the Company holding any equity share capital and otherwise equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative) or by an agent duly authorised under a Power of Attorney or by Proxy, his voting rights shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however if any Preference shareholder be present at any meeting of the Company,, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions before the meeting which directly affect the rights attached to his preference shares. A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote is taken.

Votes of
members of
unsound mind.

113. A member of unsound mind or in respect of whom 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.

Votes of Joint
members.

114. If there be joint registered holders of any shares any one of such persons may vote at any meeting personally or by an agent duly authorised under, a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto at the proxy so appointed shall not have any right to speak at the meeting, and , if more than one of such joint holders be present at any meeting either personally or by agent or by proxy, that one of the said person so present who stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holder shall be entitled to be present at the meeting ; 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 a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect such shares. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Representation
of body
corporate

115. (1) A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including a holder of debentures), authorise such person as it thinks fit by a resolution of its Board of Directors or other Governing Body to act as its representative at any meeting of the company or any class of members of the Company or at any meeting of the creditors of the Company or debenture holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company. The production of a copy of the resolution referred above, certified by a Director or the secretary of such body corporate before the commencement of the meeting shall be accepted by the company as sufficient evidence of the validity of the said representative's appointment and his right to vote there at..
- (2) Where the President of India or the Governor of a State is a member of the Company, the President or, as the case may be, the Governor may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a member of the Company.

In respect of
case or
insolvent
members

116. Any person entitled under the Transmission Article to transfer any share may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares provided that at least forty eight hours before the time of holding the meeting adjourned meeting, as the case may be, at which he propose to vote he shall satisfy the Directors of his rights to transfer such shares and give such indemnity (if any) as the Directors may require unless the Director shall have previously admitted his right to vote at such meeting in respect thereof.

In person or
proxy

117. Subject to the provisions of these Articles vote may be given either personally or by proxy. A body corporate being member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.

No. of Members
votes different

118. 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.

Proxies	119.	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 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.
Proxy either for specified meeting or for a period	120.	An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
No. proxy to vote on show of hands	121.	No proxy shall be entitled to vote on show of hands.
Deposit of instrument of appointment of proxy.	122.	The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be Deposited at the office forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
Form of proxy	123.	Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the form set out in Schedule IX to the Act, and signed by the appointed or his attorney duly authorised in writing, or if the appointed is a body corporate be under its seal or be signed by any officer or attorney duly authorised by it.
Validity of Votes given by proxy notwithstanding revocation of authority	124.	A vote given in accordance with the terms of an 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 that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting, or adjourned meeting at which the proxy is used provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objections to vote	125.	No objection shall be made to the qualification of any voter or to the validity of a vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy,, not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any meeting to be the judge of validity of any vote	126.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody in instrument	127.	If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If embracing other objects copy thereof examined with the original shall be delivered to the Company to remain in the custody of the company.

DIRECTORS

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| Number of Directors | 128. Unity otherwise determined by a general meeting of the Company and subject to the provisions of section 252 of the Act the Number of Directors (including Debentures and Alternate Director, if any) shall not be less than 3 and not more than 12. |
| First Directors | <p>129. The first Directors of the Company shall be :</p> <ol style="list-style-type: none"> 1) Mr. NARENDER KUMAR GUPTA 2) Mrs. NIRUPA GUPTA |
| Debenture Directors | <p>130. Any Trust Deed for securing debentures or debenture stocks, may, if so arranged provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture stocks, of some person to be a Director of the Company and any empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.</p> |
| Non-retiring Directors/
Special Directors | <p>131. The Board of Directors of the Company shall from time tot time be entitled to confer on such one or more persons as it, in its absolute discretion, may consider appropriate, the right to appoint one or more Directors (including themselves) but not exceeding one-third of the total number of Directors, as non-retiring Director or Directors (that is to say a Director not liable to retirement by rotation and not liable to be elected by Shareholders at general meeting) with power in favours of such person or persons to remove the non-retiring Director originally appointed by him and to replace such appointee and otherwise to fill any casual or other vacancy which may arise for any reason in the office of such non-retiring Director and subject to the provisions of the Act be removed from his office by the Company.</p> |
| Nominee Directors | <p>132 (a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to Industrial Finance Corporation of India (IFCI). The Industrial Credit and Investment Corporation of India Limited (ICICI) or to any other financing Company or Body out of any loans granted or to be granted by them to the Company or so long as IFCI, ICICI or any other Financing Corporation or Credit Corporation or any other Financing Company or Body (each of which IFCI, ICICI or any other Finance Corporation or credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "the Corporation"), continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription 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/their place.</p> <p>(b) 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</p> |

Director/s shall not be required to hold any share qualification in the Company. Also Nominee Director/s shall not be liable to retirement by rotation of Directors. 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.

- (c) 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 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 is paid off.
- (d) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all 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.
- (e) The Company shall pay the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees commission moneys and remuneration in relation to such Nominee Director/s, shall 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.
- (f) Provided that if any such Nominee Director/s is/are an Officer/s 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.

Limit on number
of retiring
Directors.

133. The provisions of Articles 131, 132 and 133 are subject to the provisions of Sections 225 and 266 of the Act and the number of such Directors appointed under Articles 132 and 133 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office.

Appointment of
Alternate
Director

134. The Board may appoint an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the original Director") to act for him during his absence for a period of not less than three months from the State of Andhra Pradesh. Every such alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when the original Director returns to the said State of Andhra Pradesh, if the term of office of the original Director is determined before he returns to the State aforesaid, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not the Alternate Director.

Directors may fill
vacancies

135. 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 by the Board of Directors at a meeting of the Board. Any person so appointed shall hold

office 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.

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| Additional Directors | 136. The Directors shall also have power at any time and from time to time appoint any other person to be a Director as an addition to the Board but so that the total number of all the directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall hold his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting. |
| Qualification of Directors. | 137. A Director need not hold any qualification shares. |
| Remuneration of Directors. | 138. The remuneration of a Director for his service shall be such sum as may be fixed by the Board of Directors not exceeding the limits allowed under the Act or as notified by the Central Govt. from time to time. The Directors subjects to the sanction of the Central Government (if any required) may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such 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 among the Directors equally. |
| Extra Remuneration to Directors for special work | 139. Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided. |
| Travelling expenses incurred by Directors on Company's business. | 140. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any committee thereof or general meetings of the Company or in connection with the business of the Company at a place other than his usual place or residence for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified. |
| Directors may act notwithstanding vacancy. | 141. The continuing Directors or Director may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the continuing Directors or Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose. |
| Board resolution necessary for certain contracts. | <p>142. (1) Except with the consent of the Board of Directors of the Company, a Director of the Company, or his relative, a firm in which such a Director or relative is 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.</p> <p style="margin-left: 40px;">(a) for the sale, purchase or supply of goods, materials or services; or</p> <p style="margin-left: 40px;">(b) for underwriting the subscription of any share in or debentures of the Company.</p> |

- (2) Nothing contained in clause (a) of sub-clause (1) shall affect :-
- (a) the purchase of goods and materials for the Company or the sale of goods and materials to the Company by any Director, relative, firm, partner or Private Company as aforesaid for cash at prevailing market prices; 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 or the Director, relative, firm, partner or Private Company as the case may be, regularly 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 exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts;
- (3) Notwithstanding anything contained in sub-clauses (1) and (2) hereof 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 rupees five thousand 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 retained 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 required under clause (1) and the same 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 will be voidable at the option of the Board.

Disclosure to the members of Director's interest in contract in appointing Manager, Managing Director of wholetime Director

143. When the Company :-

- (a) enters into a contract for the appointment of a managing director or whole-time Director in which contract any Director of the Company is whether directly or indirectly concerned or interested or
- (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.

Disqualification of Directors.

144. A person shall not be capable of being appointed Director of the Company, if :-

- (a) he has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force;
- (b) he is an undischarged insolvent;
- (c) he has applied to be adjudged an insolvent and his application is pending;
- (d) he has been convicted by a court of any offence involving moral turpitude and

sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;

- (e) he has not paid any call in respect of shares of the company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call; or
- (f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section of the Act and is in force; unless the leave of the court has been obtained for his appointment in pursuance of that section.

Vacation of office
by Directors.

145. (1) The office of a director shall become vacant if :

- (a) he is found to be 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 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 unless the Central Government by a Notification removed the disqualification incurred by such failure, 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 partner or any private company of which he is a Director, accepts a loan, of 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; or
- (k) if by notice in writing to the company, he resigns his office; or
- (l) 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 these 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 resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or

- (c) where within the seven days aforesaid any further appeal or petition is preferred in respect of the adjudication, 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 of.

Removal of
Directors.

- (a) The Company may (subject to the provision of Section 284 and other applicable provisions of the Act and these Articles) by ordinary resolution remove any Director (not being a Director appointed by the Central Government in pursuance of Section 408 of the Act) before the expiry of his period of office;

- (b) Special notice as provided by Articles hereof or Section 190 of the Act shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed;

- (c) on receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the company) shall be entitled to be heard on the resolution at the meeting;

- (d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the company (not exceeding reasonable length) and requests their notification to members of the company, the company shall, unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the Company state the fact of the representations having been made; and be send a copy of the representations to every member of the company to whom notice of the meeting is sent (before or after the representation by the Company) and if a copy of the representation is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting; Provided that copies of the representations need not be sent or read out at the meeting 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 sub-clause are being abused to secure needless publicity or defamatory matter;

- (e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 137 or Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided special notice of the Intended appointment has

been given under sub-clause (3) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid;

- (f) If the vacancy is not filled under sub-clause (e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 137 or Section 262 of the Act, and all the provisions of that Article and Section shall apply accordingly;
- (g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors;
- (h) Nothing contained in this Article shall be taken :-
 - (i) as depriving a person hereunder of any compensation or damages payable to him in respect of the termination of his appointment as director; or
 - (ii) as derogating from any power to remove a Director which may exist apart from this Article.

Closure of
Directors
Interest

146. (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 in the manner provided in Section 299 (2) of the Act.
- (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 be 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 purpose of clause (1) and (2) a general notice given 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 interested in any contract or arrangement of which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be 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 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.

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

ROTATION & APPOINTMENT OF DIRECTORS

Directors may be Directors of Companies promoted by the Company.

147. If a Director of the Company becomes a Director of any Company promoted by the Company or in which it may become interested as a vendor, shareholder, or otherwise, such Director shall not 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.

148. Not less than two-thirds of the total number of Directors shall be persons whose period of the office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.

149. Subject to the provisions of Section 256 of the Act and Articles 130, 131 to 138 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. The Debenture Directors, Corporation Directors, Special Directors, subject to Article 160 Managing Directors or Whole-time Director, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.

Ascertainment of Directors retiring by rotation and filling of vacancies.

150. Subject to Sections 288(5) of the Act, the Directors to retire by rotation under Article 151 at every annual general meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

Eligibility for re-election.

151. A retiring Director shall be eligible for the re-election.

Company to fill vacancies.

152. Subject to Sections 258, 259 and 284 of the Act, the Company at the general meeting at which a director retires in manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.

Provisions in default of appointment.

153. (a) If the place of retiring Director is not so filled up and the meeting has not expressly resolved not 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 Directors 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 :

- (i) at that meeting of the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost ;

- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed ;

- (iii) he is not qualified or is disqualified for appointment ;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act ; or
- (v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.

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

154. Subject to the provisions of Section 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 qualifications.

Appointment of Directors to be voted individually.

- 155 (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 is passed, no provision for the automatic re-appointment of retiring Directors in default of another appointment as hereinbefore provided shall apply.

Notice of Candidature for office of Director except in certain cases.

156. (1) No person, not being a Retiring Director shall be eligible for election the office of Director at any general meeting unless he or some other member intending to propose him has, at least 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 a Director or the intention of such member to propose him as a Director for that office as the case may be.
- (2) The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as a 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 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.

Notice of Candidature for office of Director except in certain cases.

- (3) Every person (other than a Director retiring by rotation or otherwise or 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) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
 - (b) an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a director or re-appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.

Disclosure by
Directors of
their holdings of
shares and
debentures of
the Company.

157. Every Director and every person deemed to be Directors 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

MANAGING DIRECTOR - WHOLE - TIME DIRECTOR.

Board may
appoint
Managing
Director or
Managing
Director(s) or
whole-time
Directors.

158. Subject to the provisions of the Act and these Articles, the Directors shall have power to appoint from time to time one or more of their body to be Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company 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.

What provisions
they will be
subject to.

159. Subject to the provisions of the Act and these Articles, the Managing Director or the Whole-time Directors shall not, while he continues to hold that office, be subject to retirement by rotation under Article 151 but he shall be subject to the provision of any contract between him and the Company, be subject to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director if he ceases to hold the office of Director from any cause provided that if at any time the number of Directors (including Managing Director or Whole time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole-time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in accordance with the Article 151 to the intent that the number of Directors not able to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

Remuneration
of Managing or
Whole-time
Directors(s)

160. The remuneration of the Managing Director or Whole-time Director shall (subject to Section 309 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by any or all these mode or any other mode not expressly prohibited by the Act.

Powers and
duties of
Managing and
or Whole-time
Director(s)

161. Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) or Whole-time Director(s) appointed under Article 160 with Power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or Whole-time Director or Whole-time Directors such of the power hereby vested in the Board generally, as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

PROCEEDINGS OF THE BOARD OF DIRECTORS

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| Meeting of Directors. | 162. The Directors may meet together as a Board for the despatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 285 of the Act otherwise directs, shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Director may adjourn and otherwise regulate deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum. |
| Notice of Meetings. | 163. (1) Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time for the time being in India, and at his usual address in India to every other Director. At least seven days notice in writing shall be given to directors specifying the time and place of the meeting. |
| When meeting to be convened. | (2) A Director may at any time and the secretary upon the request of a Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other Director. |
| Quorum. | <p>164. (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-third of the total strength, the number of the remaining Directors (that is today the number of Directors who are not interested) present at the meeting being not less than two shall be the quorum during such time.</p> <p>(b) For the purpose of clause (a)</p> <p>(i) "Total Strength" means total strength of the Board of Directors of the Company as determined in pursuance of the Act, after deducting therefrom number of the Directors, if any, whose places may be vacant at the time and</p> <p>(ii) "interested Director" means any Director whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.</p> |
| Procedure when meeting adjourned for want of quorum. | 165. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned till the 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. |
| Chairman. | 166. The Director from among their number may elect a Chairman of the Board of Directors. If at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose one of their number to be the Chairman of such meeting. |
| Questions at Board meeting how decided. | 167. Subject to provisions of Section 316, 372(5) and 386 of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall not have second or casting vote. |

Powers of Board Meeting. 168. 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. 169. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of Act and of these Articles appoint committee of the Board, and delegate any of the powers other than the powers to make a calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Director. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.

Meeting of the Committee how to be governed. 170. The meeting and proceedings of any such Committee 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 article.

Circular resolution 171. (1) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 169 shall subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as the resolution duly passed at 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 in the quorum fixed 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 addresses in India and has been approved by such of the Directors or members of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.

Acts of Board of Committee valid notwithstanding defecting appointment. 172. All acts, done by any meetings 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 persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is 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 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.

POWERS OF THE BOARD

General Powers of Management vested in Directors. 173. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of Company required to be exercised by the Company in general meeting, subject nevertheless to any regulation

of these Articles, to the provisions of the Act, or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in general meeting but no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made, PROVIDED That the Board of Directors shall not, except, with the consent of the Company in general meeting ;

- (a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking ;
- (b) remit, or give time for the payment of any debt due by a director. ;
- (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertakings as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time ;
- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose ; or
- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act greater ; Provided that the Company in general meeting or the Board of Directors shall not contribute any amount to any political party or for any political purpose to any individual or body.
 - (i) Provided that in respect of the matter referred to in clauses (d) or (e) such consent shall be obtained by a resolution of the company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be, total amount which may be contributed to charitable or other fund in any financial year under clause (e);
 - (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

Certain powers
to be exercised
by the Board
only at
meetings.

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

- (a) The power to make calls on shareholders in respect of moneys 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, Managing Directors or any other principal officer of the Company, the powers specified in (c), (d) and (e) of this sub-clause to the extent specified below :

- (2) Every resolution delegating the power referred to in sub-clause(1)(c) shall specify the total amount, outstanding at any time, upto which moneys may be borrowed by the delegate.
- (3) Every resolution delegating the power referred to in sub-clause (1)(d) 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 delegate.
- (4) Every resolution delegating the power referred to in sub clause (1)(e) shall specify the total amount upto amount 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.

Certain powers
of the Board.

175. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by these Articles but subject to the restrictions contained in the last preceding Articles it is hereby declared that the Directors shall have the following powers that is to say, power :

- (1) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company;
- (2) to pay and charge to the Capital Account of the Company any commission or interest, lawfully, payable thereout under the provisions of Sections 76 and 208 of the Act ;
- (3) Subject to Sections 292 and 297 and other applicable provisions of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such as the Directors may believe or may be advised to be reasonably satisfactory;
- (4) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any 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, mortgages 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 secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or and of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;

- (6) To accept from any member, so far as may be permissible by law a surrender of his shares or any part hereof, on such terms and conditions as shall be agreed;
- (7) to appoint any person to accept and hold in trust for the Company 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 required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
- (8) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any claims or demands by or against the Company and to refer any difference to arbitration and observe the terms of any awards made therein either according to Indian Law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein ;
- (9) to act on behalf of the Company in all matters relating to bankrupts and insolvents and winding up and liquidation of Companies ;
- (10) to make and give receipts, release and other discharge for moneys payable to the Company and for the claims and demands of the Company ;
- (11) subject to the provisions of Section 291, 293 (1), 295, 370, 372 and other applicable provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as them may, think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name ;
- (12) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, 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 other powers, provisions, covenants and agreements as shall be agreed upon ;
- (13) to open bank accounts and to determine from time to time who shall be entitled to sign, on the Company's behalf, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose ;
- (14) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction ; and to charge such bonus or commission as a part of working expenses of the Company ;
- (15) to provide for the welfare of 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, or by contributing to the building of houses, dwellings 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 or other associations, institutions, and by providing or subscribing or contributing towards places of instruction and recreation,

hospitals, dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 293 (1)(e) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions 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 the public and general utility or otherwise ;

- (16) before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to an insurance fund, or as a reserve fund or sinking fund or any special or other fund or funds or account or accounts 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 Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than share of his Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for the such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended ; and to divide the General Reserve or Reserve Fund into such special funds as the Board may think fit ; with full power to transfer the whole or any portion of a Reserve Fund/or division of a Reserve Fund to another Reserve Fund and/or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of redeemable preference shares, debentures or debenture stock and 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 Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper ;
- (17) to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit ;
- (18) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Board or managers or agencies and to fix their remuneration ;
- (19) subject to Section 292 of the Act, from time to time, and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make calls or to

make loans or borrow moneys ; and to authorise the member 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 such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annual vary any such delegation ;

- (20) at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointments may (if the Board thinks 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, or the shareholders, 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 Board and any such Powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated attorneys as aforesaid to subdelegate all or any of the powers, authorities and discretion for the time being vested in them ;
- (21) subject to Section 294, 297, 300 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient ;
- (22) from time to time to make, vary and repeal bye-laws for the regulation of the business of the Company its officers and servants;
- (23) to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorised to carry on in any part of India;
- (24) to purchase, to take on lease, for any term or terms of years or otherwise acquire any factories or any lands, with or without buildings and out houses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors as may think fit, and in any such purchase lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- (25) to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company, either separately or conjointly; also to insure all or any portion of the goods, produce machinery and other Articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

- (26) to purchase or otherwise acquire or obtain licence for the use of, and to sell exchange of grant licence for the use of any trade mark, patent, invention or technical know-how;
- (27) to sell from time to time any articles, materials, machinery, plants, stores and other articles and things belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.
- (28) from time to time to extend the business and undertaking of the Company by adding to, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purposes aforesaid or any of them as may be thought necessary or expedient.
- (29) to undertake on behalf of the Company any payment off all rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the free-hold-fee-simple of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate;
- (30) to improve, manage, develop, exchange, lease , sell, resell and repurchase, dispose of, deal or otherwise turn to account, any property (moveable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested;
- (31) to let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it things fit and to accept payment of satisfaction of the same in cash or otherwise as it thinks fit.

MINUTES

Minutes to be
made

176. (1) The company shall cause minutes of all proceedings of general meetings and of all proceedings of every meeting of the Board of Directors or of every committee of the Board to be kept by making within thirty 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 books shall be initialled 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 Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting;
 - (b) In case of minutes of proceedings of the general meeting, by the Chairman of the said meeting within the aforesaid period of thirty 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 thereat.
- (5) All appointments of officers made at any of the meetings 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 contain:-
 - (a) the names of the Directors present at the meeting;
 - (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 clause (1) and (6) 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 denatory of any person ;
 - (b) is irrelevant or immaterial to the proceedings ; or
 - (c) is detrimental to the interests 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 sub-clause.

Minutes to be evidence of the proceedings.

177. The minutes of proceedings of every general meeting and of the proceeding of every meeting of the Board or of every committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.

Presumptions to be drawn where minutes duly drawn and signed.

178. Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act until the contrary is proved the meeting shall be deemed to have been duly called and held, all proceedings thereat 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.

THE SECRETARY

Secretary.

179. The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "The Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Secretaries qualifications) Rules 1975.

THE SEAL

The Seal, its custody and use.

180. (1) The Board of 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 Board shall provide for the safe custody, of the Seal for the time being, under such regulations as the Board may prescribe ;

- (2) The seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of at least one Director of the Company, who shall sign every instrument to which the seal is affixed. Provided further that the certificates of shares or debentures shall be sealed in the manner and in conformity with provisions of the Companies (Issue of Share Certificate) Rules, 1960, and their statutory modifications for the time being in force.

DIVIDEND WARRANTS

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| Division of profits. | 181. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. |
| | (2) No amount paid or credited as paid on a shares in advance of calls shall be treated for the purposes of this regulation as paid on the share. |
| The Company in general meeting may declare dividends. | 182. The Company in general meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting. |
| Dividend out profits only. | 183. No dividend shall be payable except out of profits of the Company arrived at in the manner provided for in Section 205 of the Act. |
| Interim Dividend. | 184. 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. |
| Capital paid up in advance at interest not to earn dividend. | 185. Where the capital is paid in advance of the 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. | 186. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly. |
| No member to receive dividend whilst indebted to the Company and the Company's right of reimbursement thereof. | 187. No member shall be entitled to receive payment of any interest or dividend or bonus 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 of shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any member all such sums of money so due from him to the Company. |
| Effect of Transfer of shares. | 188. Any instrument of Transfer duly completed shall not pass right to receive any dividend declared in respect of the shares mentioned therein to the Transferee unless the Transfer is registered prior to the declaration of dividend. |

- Dividend to joint-holders. 189. Any one of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
- Dividend how remitted. 190. The dividend payable in cash may be paid by Cheque or Warrant sent through post direct to registered address of the shareholder entitled to the payment of the dividend or cash of joint holders to the registered address of that one of joint-holders which is first named on the register of members or to such person and to such address as the holder or the joint-holder may in writing direct. The Company shall not be liable or responsible for any Cheque or Warrant or pay slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
- Notice of dividend 191. Notice of the Declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.
- Reserve. 192. The Directors may, before recommending or declaring any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors be applicable for meeting contingencies or for any other purpose to which the profits of the company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Director may from time to time think fit.
- Dividend to be paid within forty-two days. 193. The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment of dividend, within forty-two days from the date of the declaration unless :-
- (a) Where 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 from 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.
- The claimed dividend. 194. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and dividends and unpaid will be dealt with according to the provisions of Sections 205 A and 205B of the Companies Act, 1956.
- No interest on dividend 195. Subject to the provisions of Section 205A of the Companies Act, 1956, no dividend shall bear interest as against the Company.
- Dividend and call together. 196. Any general meeting declaring a dividend may on the recommendations of the Directors made 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 members, be set off against the calls.

Dividends In cash. 197. No dividend shall be payable except in cash. 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 members of the Company.

CAPITALISATION

Classification 198. (1) The Company in General Meeting may, upon the recommendation of the Board reserve :

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve according or to the credit 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) 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 provision contained in the clause (3) either in or towards :

- (i) paying up any amount for the time being unpaid on any shares held by such members respectively ;
- (ii) paying up in full unissued shares of the Company to be allocated and distributed, credited as fully paid upto, and amongst such members in the proportions aforesaid ; or
- (iii) partly in the way specified in sub-clause (i) and partly in that 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 Certificates. 199. (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, and all allotments and issues of fully paid shares, 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 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 to which they may be entitled upon such capitalisation, or (as the case may require) for the payment 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.
- (4) That for the purpose of giving effect to any resolution, under the proceeding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

ACCOUNTS

- Books to be kept. 200. (1) The Company shall keep at its registered office proper books of accounts as would give a true and fair view of the state of affairs of the Company or its transaction with respect to :
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place ;
 - (b) all sales and purchases of goods by the Company ;
 - (c) the assets and liabilities of the Company ; and
 - (d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by that Government.

Provided that all or any of the books of accounts 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 on 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 accounts relating to the transactions effected at the branch are kept at that office and proper summarised return 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 sub-clause (1). The books of accounts and other books and paper shall be open to inspection by any Director during business hours.

- Inspection by members 201. (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 the inspection of members not being Directorss.
- (b) No member (not being a Director) shall have any right of inspecting any account books or documents of the Company except all allowed by law or authorised by the Board.

Statements of
Accounts to be
furnished to
general
meeting.

202. The Board of Directors shall from time to time in accordance with Sections 210, 211, 212, 216 and 217 of the Act, cause to be prepared and laid 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.

Right of
Members to
Copies of
Balance Sheet
and Auditor
Report.

203. Any member or holder of debentures of the Company whether he is or 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 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 and Director's Report.

AUDIT

Account to be
audited.

204. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the Profit and Loss Account and Balance Sheet as ascertained by one or more Auditor or Auditors.

Appointment of
Auditors.

205. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Sections 224 to 229 and 231 of the Act.
- (2) The Company shall at each annual general meeting appoint an Auditor or Auditors to hold office from conclusion of that meeting until the conclusion of the next annual general meeting and shall within seven days of the appointment given intimation thereof to the Auditor so appointed unless he is retiring Auditor.
- (3) At any annual general meeting a Retiring Auditor, by whatsoever authority appointed shall be re-appointed unless;
- (a) he is not qualified for re-appointment;
 - (b) he has given the Company notice in writing of his unwillingness to be re-appointed;
 - (c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
 - (d) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be, the Resolution cannot be proceeded with.
- (4) Where at annual general meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- (5) The Company shall, within seven days of the Central Government's power under the sub-clause (4) becoming exercisable give notice of that fact to that Government.
- (6) The Directors may fill any casual vacancy in the office of Auditor, but while any

such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in general meeting.

- (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an annual general meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

Account when audited and approved to be conclusive except as to errors discovered within 3 months.

206. Every account when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected and hence forth shall be conclusive.

DOCUMENTS AND NOTICES

To whom documents must be served or given.

207. Document or notice of every meeting shall be served or given on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 94 a statement of material facts referred to in Article 95 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Members bound by documents or notices served on or given to previous holders.

208. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derived his title to such share.

Service of document on Company.

209. A document may be served on the Company or an officer thereof by sending it to the company or officer at the Register Office of the COMPANY by post under a certificate of posting or by Registered Post or by leaving it at its Registered Office.

Authentication of documents and proceedings.

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

REGISTERS AND DOCUMENTS

Registers and documents to be maintained by the Company.

211. The Company shall keep and maintain Registers, Books and Documents required by the Act or these Articles, including the following :-
- (1) Register of investments made by the Company but not held in its own name, as required by Section 49 (7) of the Act.
 - (2) Register of Mortgages and Charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act.

- (3) Register and Index of Members and Debentures holders as required by Sections 150, 151 and 152 of the Act.
- (4) Foreign Register, if so thought fit, as required by Section 157 of the Act.
- (5) Register of Contracts, with Companies and firms in which Directors are interested as required, by Section 301 of the Act.
- (6) Register of Directors, and Secretary etc., as required by Section 303 of the Act.
- (7) Register as to holdings by Directors of shares and or debentures in the Company as required by Section 307 of the Act.
- (8) Register of investments made by the Company in shares and debentures of the bodies Corporate in the same group as required by Section 372 (7) of the Act.
- (9) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act.
- (10) Register of loans guarantee or securities given to other Companies under the same management as required by Section 370 of the Act.
- (11) Books of Account in accordance with the provisions of Sections 209 of the Act.

Inspection of
Registers.

212. The Register mentioned in clauses 6 and 9 of the foregoing Article and the minutes of all proceedings of general meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in case of the Register of Members of the Company, provided for in Clause 3, thereof. Copies of entries in the Registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may consistently with the provisions of the Act in that behalf be determined by the Company in general meeting.

WINDING UP

Distribution of
Assets.

213. 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 the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively, and if in a winding up 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 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 to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in
specie or kind.

214. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator 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 Liquidator, 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 any 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 prejudicial thereby shall have a 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 Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.

Rights of
shareholders in
case of sales.

215. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 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 Liquidator be distributed amongst the members otherwise than in accordance with the 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 sanction.

INDEMNITY

Director's and
others' rights to
indemnity.

216. 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 of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be duty of the Directors to 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, concerned in or omitted 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 wrongful 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 or other Officer of the Company in defending any proceedings whether civil or criminal in which judgment 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.

Director, Officer
not responsible
for acts of others.

217. Subject to the provisions of Section 201 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 Director 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 damages arising from the insolvency or tortuous act of any person, firm or company to or with whom any moneys, securities or effects, shall be entrusted or deposited or 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 execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

Secretary
Clause.

218. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required, by the Director, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

No member to
enter the
premises of the
Company
without
permission.

219. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director or to require discovery of or 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, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

Sl. No.	Names, addresses, descriptions and occupations of the subscribers and signatures	Name, address, description, occupation and signature of the witness
1.	<p style="text-align: center;">Sd/-</p> <p>NARENDER KUMAR GUPTA S/o. SHRI JEETMAL GUPTA 21-7-178/1, CHARKAMAN HYDERABAD OCCUPATION : BUSINESS</p> <p style="text-align: center;">S/d-</p>	<p style="text-align: center;">Sd/-</p> <p>R. RAJENDER GUPTA S/o. RAMLAL GUPTA RRA ASSOCIATES CHARTERED ACCOUNTANTS 29/A, 1st FLOOR Raghava Ratna Towers, Chirag Ali Lane, HYDERABAD.</p> <p>OCCUPATION : CHARTERED ACCOUNTANT</p>
2.	<p>Smt. NIRUPA GUPTA W/o. SHRI NARENDER GUPTA 21-7-178/1, CHARKAMAN HYDERABAD OCCUPATION : HOUSEWIFE</p>	

Place : HYDERABAD

Date : 12-8-91