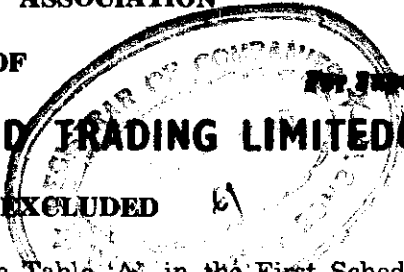




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ARTICLES OF ASSOCIATION
OF
HEM HOLDINGS AND TRADING LIMITED
TABLE 'A' EXCLUDED



For Registration of Statute
Mumbai

1. The regulations contained in Table 'A', in the First Schedule to the Companies Act, 1956, shall not 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 in reference to the repeal or alterations of, or additions to, its regulations by Special Regulation, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

Table 'A' not to apply but Company to be governed by these Articles.

INTERPRETATION

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

Interpretation Clause.

"The Act" or "the said Act" means "The Companies Act, 1956" as amended upto date or other Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to Companies.

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

"The Board" or "Board of Directors".

"The Company" or "This Company" means HEM HOLDINGS AND TRADING LIMITED.

"The Company" or "This Company".

"Directors" means the Directors for the time being of the Company or as the case may be the Directors assembled at a Board.

"Directors".

"Dividend" includes bonus.

"Dividend".

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

"Gender".

"Month" means a calendar month.

"Month".

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

"Office".

"Persons" include corporation as well as individuals.

Co. No. 26825
Document No. 14/82
Persons
Permanent



Registrar

Plural number.

Words importing the plural number, also include the singular number.

"These Presents" or "Regulations".

"These presents" or "Regulations" means these Articles of Association as originally framed or altered from time to time and include the Memorandum where the context so requires.

"Seal".

"Seal" means the Common Seal for the time being of the Company.

Singular number.

Words importing the singular number include the plural number.

"Writing".

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

Expressions in the Act to bear the same meaning in Articles.

Subject as aforesaid any words or expressions defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles.

The marginal note hereto shall not affect the construction hereof.

PRELIMINARY

Copies of Memorandum and Articles of Association to be given to Members.

3. Copies of the Memorandum and Articles of Association and other documents mentioned in Section 39 of the Act shall be furnished by the Company to any member at his request within seven days of the requirement subject to the payment of a fee of Rupee one.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Capital of the Company.

4. The Authorised Share Capital of the Company consists of Rs. 25,00,000/- (Rupees Twenty Five Lacs) divided into 2,00,000 (Two lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and 5,000 (Five thousand) unclassified shares of Rs. 100/- (Rupees One hundred only) each.

Shares under the control of the Directors.

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper, 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 par or at a premium or subject as aforesaid at a discount such option being exercisable at such time and for such consideration as the Directors think fit.

Unclassified Shares.

6. Any unclassified shares (whether forming part of the original capital or of any increased capital of the Company) may be issued either with the sanction of the Company in General Meeting or by the Directors and upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting sanctioning the issue of such shares be directed and, if no such direction be given, in all other cases, as the Directors shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of the assets of the Company and any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

7. In addition to and without derogating from the powers for that purpose conferred on the Directors under Articles 5 and 6 the Company in General Meeting may determine to issue further shares of the authorised but unissued capital of the Company and may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount as such General Meeting shall determine and with full power to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or (subject to compliance with the provision of Section 79 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

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

8. The Company may from time to time in General Meeting alter the conditions of its Memorandum by increase of its share capital by the creation of new shares of such amount as it thinks expedient. Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed and if no direction be given as the Directors shall determine; 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 provided always that any Preference Shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

Increase of capital.

9. Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date, and such offer shall be made in accordance with the provisions of Section 81 of the Act. Provided that notwithstanding anything hereinbefore contained, the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the equity shares of the Company in any manner whatsoever;

Right of ordinary Shareholders to further issue of capital.

(a) If a Special Resolution to that effect is passed by the Company in General Meeting or

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

10. On the issue of redeemable preference shares under the provisions of Article 8 the following provisions shall take effect:—

Provision in case of Redeemable Preference Shares.

(a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for divi-

dend 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 be 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 profits which would otherwise have been available for dividend be transferred to a Reserve Account 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 a Company shall except as provided under Section 80 of the Act or herein 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 and this Article the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

Same as original capital.

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

Restrictions on purchase by Company of its own shares.

- 12. (1) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 13 or in pursuance of Sections 100 to 104 or Section 402 or other applicable provisions (if any) of the Act.
- (2) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the Company shall not give whether 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 the purchase or subscription made or to be made by any person or for any shares in the Company.
- (3) Nothing in this Article shall effect the right of the Company to redeem, any Redeemable Preference Share issued under Article 3 or under Section 80 or other relevant provisions (if any) of the Act or of any previous Companies Law.

Reduction of Capital.

13. The Company may from time to time by Special Resolution reduce its share capital in any way authorised by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

Consolidation, division and sub-division.

14. The Company may in General Meeting alter the conditions of its Memorandum as follows:

- (a) Consolidate and divided all or any of its share capital into of larger amounts than its existing shares.

(b) Sub-divide its shares or any of them into shares of smaller amounts originally fixed by the Memorandum, subject nevertheless to the provisions of the Act and of these Articles.

(c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its shares capital by the amount of the shares so cancelled.

15. The rights conferred upon the holders of the shares of any class issued with preferred, or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Issue of further *pari passu* shares not to affect the right of shares already issued.

16. The Company shall not issue any shares (not being Preference Shares) which carry voting right or rights which are disproportionate as to dividend, capital or otherwise which affect the rights attached to the holders of other shares (not being Preference Shares).

No issue with disproportionate rights.

17. If at any time the share 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, and whether or not the Company is being wound up, be varied, modified, abrogated or dealt with, with the consent in writing of the holders of not less than three-fourth of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to General Meeting (including the provisions relating to quorum at such meetings) shall *mutatis mutandis* apply to every such meeting.

Power to modify class rights.

SHARES

18. The shares in the capital of the Company shall be numbered progressively according to their several denominations, and, except in the manner hereinafter mentioned, no share shall be sub-divided.

Shares to be numbered progressively and no share to be sub-divided.

19. Subject to the provisions of the Act and these Articles the Directors may allot and issue in the capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and the shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash and if so issued, shall be deemed to be fully paid up or partly paid up shares as aforesaid.

Directors may allot shares as fully paid-up.

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

Acceptance of shares.

21. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares, allotted 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 him accordingly.

Deposit and calls etc. to be a debt payable immediately.

22. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment

Instalments on shares to be duly paid.

every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

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

23. Except as required by law no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way, to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles or as ordered by a Court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

UNDERWRITING AND BROKERAGE

Commission for placing shares debentures etc.

24. The Company may subject to the provisions of Section 76 and other applicable provisions (if any) of the Act at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company but so that the amount or rate of commission does not exceed in the case of shares 5% of the price at which the shares are issued and in the case debentures 2½% of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

CERTIFICATES

Certificate of shares.

25. Every member shall be entitled without payment to one certificate of title to shares for all the shares of each class registered in his name. If the Directors so approve and upon payment of such fees, if any, not exceeding Rs. 2/- per certificate as the Directors may from time to time determine in respect of each class of shares, a member shall be entitled to more than one certificate for shares of each class. Every certificate of title to shares shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid thereon. Two or more joint allottees of a share shall for the purpose of this Article be treated as a single member, and the certificate of any share which may be the subject of joint ownership may be delivered to any one of such joint owners on behalf of all of them. The certificates of title to shares shall be issued under the Seal of the Company, which shall be affixed in the presence of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney; and (ii) the secretary or some other person appointed by the Board for the purpose; PROVIDED that atleast one of the aforesaid two Directors shall be person other than the Managing Director. A Director may sign a share certificate by fixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography PROVIDED ALWAYS that notwithstanding anything contained in this Article, the certificates of title to shares may be executed and issued in accordance with such other provisions of the Act or the Rules made thereunder, as may be in force for the time being and from time to time.

Limitation of time for issue of certificates.

26. The Company shall within three months after the allotment of any of its shares or debentures and within one month after the application for the registration of the transfer of any such shares or debentures complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide and the Company shall otherwise

comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

27. If any certificate be worn out, defaced, torn or otherwise mutilated or rendered useless from any cause whatsoever, or if there be no space on the back thereof for endorsement of transfers, then upon production thereof to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate on payment, if any, of such sum not exceeding Rs. 2/- as the Directors may in their discretion determine. The Directors may in their discretion waive payment of such fee in the case of any certificate or certificates.

As to issue of new certificate in place of one defaced, lost or destroyed.

CALLS

28. The Board of Directors may from time to time, but subject to the conditions hereinafter mentioned, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times appointed by the Directors. A call may be made payable by instalments.

Board may make call's.

29. Where after the commencement of the Act, any calls for further share capital are made on shares, such call shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under same class.

Calls on shares of same class to be made on uniform basis.

30. Fifteen days' notice at the least of every call otherwise than on allotment shall be given specifying the time of payment and if payable to any person other than the Company the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same.

Notice of Call.

31. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed 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 Directors.

Call to date from Resolution.

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

Directors may extend time.

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

Amount payable at fixed time or by instalments as calls.

34. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time being or allottee of the share in respect of which a call shall have been made or the instalment shall be due shall pay interest on the same at such rate not exceeding 15 per cent per annum as the Directors

When interest on call or instalment payable.

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.

Judgment,
decree or
partial payment
not to preclude
forfeiture.

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

Proof on trial
of suit for
money due on
shares.

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

Payments in
anticipation of
calls may
carry interest.

37. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares, held by him beyond the sums actually called for; and upon the moneys so paid in advance or such thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon and the Company may at any time repay the amount so advanced upon giving to such member three months' notice in writing, provided however that moneys paid in advance of calls shall not rank for dividend or participate in the profits of the Company.

FORFEITURE, SURRENDER AND LIEN

If call or
instalment not
paid notice
must be given.

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

Terms of
notice.

39. The notice shall name a day (not being less than 14 days from the date of the notice) on or before which such call, instalment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid and if payable to any person other than the Company, the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the money) to the person appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

40. If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given, may at any time thereafter, before payment of all calls or instalments, interest, and expenses or other moneys due in respect thereof, be forfeited, by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture.

In default of payment shares to be forfeited.

41. When any share shall have been so forfeited, an entry of the forfeiture with the date thereof shall be made in the Register of Members.

Entry of forfeiture in Register in Members.

42. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Board shall think fit.

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

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

Power to annul forfeiture.

44. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest, expeness and other moneys owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate not exceeding 15 per cen per annum as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so.

Member still liable to pay money owing at the time of forfeiture and interest.

45. The Directors may subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering on such terms as they think fit.

Surrender of shares.

46. The Company shall have no lien on its fully paid shares. In the case of partly paid up shares the Company shall have a first and paramount lien for moneys called or payable at a fixed time in respect of such shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.

Company's lien on shares.

47. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment or discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

As to enforcing lien by sale.

48. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements of such member and the residue (if any) paid

Application of proceeds of sale.

to such member or the person (if any) entitled by transmission to the shares so sold.

Certificate of
Forfeiture.

49. A certificate in writing under the hands of a Director, that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share.

Title of
purchaser and
allottee of
forfeited shares.

50. The Company may receive the consideration, if any, given for the share on any sale re-allotment or other disposition thereof and the person to whom such shares is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

TRANSFER AND TRANSMISSION OF SHARES

Register of
Transfer.

51. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

Form of Transfer.

52. The instrument of transfer of any share shall be in writing in the form given in the Companies Act or any modification or amendment as may be enacted hereafter.

Application
for transfer.

53. (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.

(2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(3) For the purposes of Sub-Clause (2) above notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time of which it would have been delivered in the ordinary course of post.

To be executed
by transferor
and transferee.

54. Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

Transfer not to
be registered
except on
production of
instrument of
transfer.

55. The Company shall not register a transfer of shares in the Company unless proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares, or if no such share certificate is in existence, along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the

transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

56. Subject to the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares and in particular may so decline in any case in which the Company has a lien upon the shares or any of them or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.

Director may refuse to register transfer.

57. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or intimation of transmission of any right therein, the Company shall within one month the transferee and transferor or to the persons giving intimation of transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force shall apply.

Notice of refusal to be given to transferor and transferee.

58. A transfer of a share in the Company of a deceased member thereof made by the legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Transfer by legal representative.

59. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

Custody of transfer.

60. The Directors shall have the power on giving not less than seven days' previous notice by advertisement as required by Section 154 of the Act to close the Register of Members and transfer books of the Company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as to them may seem fit.

Closure of transfer books.

61. The executors or administrators of a deceased member or a holder of a Succession Certificate (whether European, Hindu, Mahomedan, Parsi or otherwise not being one of two or more joint holders) shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration as the case may be, from a duly Constituted Court in India; provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate and under the next Article, register the name of any

Title to shares of deceased holder.

person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

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

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

Refusal to register nominee.

63. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were transferee named in an ordinary transfer presented for registration.

Board may require evidence of transmission.

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

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

65. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

CONVERSION OF SHARES INTO STOCK

Conversion of shares into stock and

66. The Company may, by ordinary resolution of the Company in General Meeting :

(a) convert any paid-up shares into stock;

and

(b) re-convert any stock into paid-up shares of denomination.

re-conversion. Transfer of stock.

67. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations under which

the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that, the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

68. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except dividends, participation in profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Rights of stockholders.

69. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

Regulations.

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

Joint-holders.

(a) The Company shall be entitled to decline to register more than four persons as the joint-holders of any share.

Company may refuse to register more than six persons.

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

Joint and several liability for all payments in respect of shares.

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

Title of survivors.

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

Receipt of one sufficient.

(e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 204) from the Company any documents, served on or sent to such person shall be deemed service on all the joint-holders.

Delivery of certificates and, giving of notice to first named holders.

(f) Any one of two or more joint-holders may vote at any meeting either personally or by attorney duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof Provided always that a joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by an attorney duly authorised under power of attorney

Votes of Joint-holders.

or by proxy although the name of such joint-holder present by an attorney or proxy stands first or higher as the case may be in the Register in respect of such shares. Several executors or administrators of deceased member in whose (deceased member's sole name any share stands shall for the purposes of this Sub-Clause be deemed joint-holders).

BORROWING POWERS

Power to borrow.

71. Subject to the provisions of the Act and these Articles, and without prejudice to the other powers conferred by these Articles the Directors shall have the power from time to time at their discretion to borrow any sum or sums of money for the purposes of the Company provided that the total amount borrowed at any time 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 shall not without the consent of the Company in General Meeting 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 specified purpose.

Conditions on which money may be borrowed.

72. Subject to the provisions of the Act and these Articles the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Bonds, debentures etc. to be subject to control of Directors.

73. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Securities may be assignable free from equities.

74. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Issue at discount etc. or with special privileges.

75. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

Mortgage of uncalled capital.

76. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person whose favour such mortgage or security is executed or if permitted by the Act may by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' power or otherwise and shall be assignable, if expressed so to be.

Indemnity may be given.

77. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about

to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage, charge or security over or agreeing the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

GENERAL MEETINGS

Convening Meetings

78. (1) The Company shall in addition to any other meetings hold a general meeting (hereinafter called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year: Provided however that if the Registrar of Companies shall have, for any special reason, extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time fixed by the Registrar. Except in the cases where the Registrar has given an extension of time as aforesaid for holding any Annual General Meeting, not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

Annual General Meetings.

(2) Every Annual General Meeting shall be called for a time during business hours and on such day (not being a public holiday) as the Directors may from 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 of Bombay. The notice, calling the meeting shall specify it as the Annual General Meeting.

79. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Extraordinary General Meeting.

80. The Board of Directors may call an Extraordinary General Meeting whenever they think fit.

Directors may call Extraordinary General Meeting.

81. (1) The Board of Directors shall, on the requisition of such number of members of the Company as hold in regard to any matter at the date of deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable.

Calling of Extraordinary General Meeting on requisition.

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

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

(4) Where two or more distinct matters are specified in the requisition, the provisions of Sub-clause (1) above shall apply separately in regard to each such matter: and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that Sub-Clause is fulfilled.

(5) (i) If the Board of Directors does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any

matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called,

(a) by the requisitionists themselves, or,

(b) 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-tenths of such of the paid-up share capital of the Company as is referred to in sub-clause (4) whichever is less :

(ii) For the purpose of this sub-clause, the Board shall in the case of a meeting at which a resolution is to be proposed as a special resolution be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.

(6) A meeting called under Sub-Clause (5) above by the requisitionists or any of them shall be called in the same manner or as nearly as possible, as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.

(7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums 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.

Notice of Meeting.

82. (1) A General Meeting of the Company may be called by giving not less than 21 days' notice in writing.

(2) However, a General Meeting may be called after giving shorter notice than 21 days, if the consent is accorded thereto;

(i) 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 95% of such part of the paid-up share capital of the Company as gives a right to vote at that meeting.

PROVIDED THAT where any members of the Company are entitled to vote only on some Resolution or Resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this Sub-Clause in respect of the former Resolution or Resolutions but not in respect of the latter.

Contents of Notice.

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

(2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member of the Company.

84. (1) 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 :—

Special
Business.

- (i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and the Report of the Board of Directors and of the Auditors;
- (ii) the declaration of dividend;
- (iii) the appointment of Directors in the place of those retiring;
- (iv) the appointment and the fixing of the remuneration of the Auditors.

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

(3) Where any item of business to be transacted at the meeting is 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 interest, if any, therein of every Director and Manager, if any.

Provided, however, that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects, any other company, the extent of shareholding interest in that other company of every Director and manager if any of the Company shall also be set out in the Explanatory Statement, if the extent of such shareholding interest is not less than 20 (twenty) per cent of the paid-up share capital of that other company.

(4) Where any item of business to be transacted at the meeting of the Company consists of according the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the Explanatory Statement.

85. Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act and these Articles. It shall be given to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a pre-paid letter addressed to them by name, or by the title of the representative of the deceased, or assignees of insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred. Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under sub-section (3) of Section 53 of the Act, the Explanatory Statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Service of
Notice.

86. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company, in any manner authorised by Section 53 in the case of any member or members of the Company.

Notice to be
given to the
Auditors.

As to omission
to give Notice.

87. The accidental omission to give notice of any meeting to or the non-receipt of any notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

Resolution
requiring
special Notice.

88. (1) Where, by any provision contained in the Act or in these Articles special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which notice is served or deemed to be served and the day of the meeting.

(2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meetings, 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 the Articles not less than seven days before the meeting.

PROCEEDINGS AT GENERAL MEETING

Quorum at
General Meeting

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

Proceedings
when quorum
not present.

90. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present those members present shall be a quorum and may transact the business for which the meeting was called.

Business at
adjourned
meeting.

91. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Chairman of
Directors or
Vice-Chairman
or a Director
to be Chairman
of General
Meeting.

92. (a) The Chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at every General Meeting, whether Ordinary or Extraordinary, but if there be no such Chairman, or in case of his absence or refusal, the Vice-Chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at such meeting and if there be no such Vice-Chairman, or in case of his absence or refusal, some one of the Directors (if any be present) shall be chosen to be Chairman of the meeting.

In case of their
absence or
refusal a
member may
act.

(b) If at any meeting a quorum of members shall be present, and the Chair shall not be taken by the Chairman of the Board or by the Vice-Chairman or by a Director at the expiration of fifteen minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their own number to be Chairman of the meeting.

93. No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant. **Business confined to election of Chairman whilst Chair vacant.**
94. The Chairman with the consent of any meetings at which a quorum is present, may adjourn any meeting from time to time and from place to place in Bombay. **Chairman with consent may adjourn meeting.**
95. When a meeting is adjourned for 30 days or more, notice of the adjournment of the business to be transacted at an adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment of the business to be transacted at an adjourned meeting. **Notice to be given where a meeting adjourned for 30' days or more.**
96. At any General Meeting, a resolution put to the vote of the meeting shall unless a poll is demanded be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution. **What would be the evidence of the passing of a resolution where poll not demanded.**
97. 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 a demand made in that behalf by at least five members having the right to vote on the resolution and present in person or by proxy, or 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 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 shares on which an aggregate sum has been paid up on all the shares conferring that right. The demand for a poll may be withdrawn at any time by the person or persons who make the demand. **Demand for Poll.**
98. A poll demanded on any question (other than the election of the Chairman or on a question of adjournment which shall be taken forthwith) shall be taken at such place in Bombay and at such time not being later than forty-eight hours from the time when the demand was made, as the Chairman may direct. Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken 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. **Time and manner of taking poll.**
99. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineers arising from such removal or from any other cause. Of the two scrutineers appointed under this Article, one 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. **Scrutiners at Poll.**
100. The demand for a poll 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. **Demand for poll not to prevent transaction of other business.**

Motion how decided in case of equality of votes.

101. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

Reports, Statements and Registers to be laid on the table.

102. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and audited Statement of Accounts, Auditors' Report (if not already incorporated in the audited Statement of Accounts), the Proxy Register with proxies and the Register of Directors' Holdings maintained under Section 307 of the Act. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Registration of certain Resolution and Agreements.

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

- (a) special resolutions;
- (b) resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
- (c) resolution of the Board or Agreement relating to the appointment, re-appointment or the renewal of the appointment or variations of the terms of appointment of a Managing Director;
- (d) resolutions or agreements which have been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner, and all resolutions or agreements which effectively bind all the members of any class of shareholders though not agreed to by all those members;
- (e) resolutions requiring the Company to be wound up voluntarily passed in pursuance of sub-section (1) of Section 484 of the Act;
- (f) resolutions passed by a Company according consent to the exercise by its Board of Directors of any of the powers under Clause (a), Clause (d) and Clause (e) of sub-section (1) of Section 293 of the Act; and
- (g) resolution passed by a Company approving the appointment of Sole Selling Agents under Section 294 of the Act.

A copy of every Resolution which has the effect of altering the Articles of Association of the Company and a copy of every Agreement referred to in the above items (c) and (d) shall be embodied in and annexed to every copy of the Articles issued after the passing of the Resolution or the making of the Agreement.

Minute of General Meetings.

104. The Company shall cause Minutes of all proceedings of every proceedings of every General Meeting to be kept in accordance with the

provisions of Section 193 of the Act 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. Each page of every such book 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 by the Chairman of the same meeting within the aforesaid period of 30 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 that purpose. In no case the Minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

105. The book containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may by these Articles or in general meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of the minutes on payment of 37 Paise for every one hundred words or fractional part thereof required to be copied.

Inspection of minute books of General Meetings.

106. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.

Publication of reports of proceedings of General Meetings.

VOTES OF MEMBERS

107. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate also by a representative duly authorised under Section 187 of the Act and Article 111.

Votes may be given by proxy or attorney.

108. (1) Subject to the provisions of the Act and these Articles upon a show of hands every member entitled to vote and present in person (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 of the Act and Article 111 or by attorney or in the case of a body corporate by proxy shall have one vote.

Number of Votes to which Members entitled.

(2) Subject to the provisions of the Act and these Articles, upon a poll every member entitled to vote and present in person (including a body corporate present as aforesaid) or by attorney or by proxy shall be entitled to vote and shall have the following rights:

- (a) In respect of every equity share his voting right shall be in the same proportion as the capital paid up on such equity share bears to the total paid up equity capital of the Company.
- (b) In respect of every fully paid preference share his voting right shall be equal to the voting right for a fully paid equity share.

109. No member not personally present shall be entitled to vote on a show of hands unless such member is present by attorney or unless such member is a body corporate present by a representative duly authorised under Section 187 of the Act or by a proxy in which case such attorney or representative or proxy may vote on a show of hands as if he were a member of the Company.

No voting by proxy on show of hands.

Votes in respect of shares of deceased insolvent members.

110. Any person entitled under the Transmission Article (Article 64 hereof) to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 48 hours before the time of meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

No member to vote unless calls are paid up.

111. Subject to the provisions of the Act no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.

Right of member to use his votes differently.

112. 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.

113. Any member 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; but a proxy so appointed shall not have any right to speak at the meeting.

Appointment of proxy.

114. Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorised in writing, or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

Deposit of instrument of appointment.

115. (1) 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 thereof shall be deposited at the office of the Company not less than 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. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or notarially certified copy thereof has either been registered in the records of the Company at any time not less than 48 hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney given at least fourteen days before the meeting require him to produce the original power of attorney or authority and unless the same is thereon deposited with the Company not less than forty-eight hours before the time fixed for the meeting the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

Inspection of proxies.

(2) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning twentyfour hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company

provided not less than three days' notice in writing of the intention so to inspection is given to the Company.

116. An instrument appointing a proxy shall be in the following form, or shall contain words to the following effect : Form of proxy.

HEM HOLDINGS AND TRADING LIMITED

I/We

of

in the district of

being

member/members of the above-named Company hereby appoint

of

in the

district of

of failing him

of

as

my/our proxy to vote for me/us on my/our behalf at the

Annual General

Meeting/Extraordinary General Meeting of the Company to be held on

the

day of

at any adjourned thereof.

Signed this

day

19 .

117. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meeting 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 a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Custody of the instrument.

118. A vote given in accordance with the terms of an instrument of proxy or a power of attorney shall be valid notwithstanding the previous death of the principal or revocation of the proxy or the power of attorney as the case may be or of the power of attorney under which such proxy was signed or the transfer of the share in respect of which that vote is given, provided that no intimation in writing of the death revocation or transfer shall have been received at the office before the meeting.

Validity of vote given by proxy notwithstanding death of member etc.

119. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Time for objections to vote.

120. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, and subject as aforesaid the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman of any meetings to be the judge of validity of any vote.

DIRECTORS

Number of
Directors.

121. Until otherwise determined by a General Meeting the number of Directors shall not be less than three nor more than twelve.

First
Directors.

122. The first Directors of the Company shall be :

- (1) SHRI SHIVJI RAVJI SHAH
- (2) SHRI MORARJI DAMJI VORA
- (3) SMT. HEMLATA SHIVJI SHAH

Debenture
Director.

123. Any Trust Deed for securing debentures or debenture stock may, if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture stocks of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture stock from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as the "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 bound to hold any qualification shares and shall not be liable to retire by rotation or subject to the provisions of the Act 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.

Appointment
of Alternate
Director.

124. The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from the State of Maharashtra and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that premissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the State of Maharashtra. If the term of office of the original Director is determined before he so returns to the State of Maharashtra, any provision in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the original Director and not the Alternate Director.

Casual
Vacancy.

125. Subject to the provisions of Sections 262 and 284(6) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the Office of a Director whose period office is liable to determination by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed shall hold office only upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.

Appointment
of additional
Director.

126. Subject to the provisions of Sections 260 and 284(6) and other applicable provisions (if any) of the Act, the Directors shall have powers at any time and from time to time to appoint a person as an Additional Director. The Additional Director shall retire from office at the next following Annual General Meeting, but shall be eligible for re-election.

Remuneration
of Director.

127. (1) The remuneration of a Director for his services shall be such a sum as may be fixed by the Directors not exceeding Rs. 250/-

for each meeting of the Board attended by him. Each Director shall be entitled to be paid his reasonable travelling expenses incurred by him whilst employed in the business of the Company otherwise than for attending meetings.

(2) If any Director, being willing, shall be called upon to perform extra services, or to make any special exertions in going or residing out of Bombay or otherwise for any of the purposes of the Company, the Company shall subject to the limitation provided by the Act remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Special remuneration to Director on Company's business or otherwise performing extra services.

128. The continuing Directors may act notwithstanding any vacancy in their body; but so that subject to the provisions of the Act if the number falls below the minimum number above fixed notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company or in emergencies.

Directors may act notwithstanding vacancy.

129. (1) Subject to the provisions of Section 233(2) of the Act the office of a Director shall become vacant if;

When office of Director to be vacated.

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applied to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay calls made on him in respect of shares of the Company held by him, whether alone, or jointly with others within six months from the last date fixed for the payment of the calls unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure; or
- (e) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314(1) of the Act; or
- (f) he absents himself from the three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer without obtaining leave of absence from the Board of Directors; or
- (g) he becomes disqualified by an Order of the Court under Section 203 of the Act; or
- (h) he is removed in pursuance of Article 146 or Section 284 of the Act; or
- (i) he absents himself from three consecutive meetings of (on his account) or any firm in which he is a partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Article 136 or Section 295 of the Act; or
- (j) he acts in contravention of Section 299 of the Act and by virtue of such contravention shall have been deemed to have vacated office; or

(k) 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.

Resignation.

(2) Subject to the provisions of the Act a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.

Directors may contract with Company.

130. (1) Subject to the provisions of sub-clauses (2), (3), (4), (5), and (6) of this Article and the restrictions imposed by Article 137, and the other Articles hereof and the Act and the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by sub-clauses (2), (3) and (4) hereof, except in the case referred to in sub-clause (5) hereof.

Disclosure of interest.

(2) Every Director 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 or as provided by sub-clause (4) hereof.

(3) (a) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-clause (2) above 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 the meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

(b) In the 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.

General notice of interests.

(4) For the purpose of this Article, a general notice given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(5) Nothing in the sub-clauses (2), (3) and (4) shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one of the Directors

of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in the other company.

(6) An interested Director shall not take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum shall be void; Provided that this prohibition shall not apply:

(i) to any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company.

(ii) to any contract or arrangement entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Directors consists solely in his being a director of such company and the holder of not more than shares of such member or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company or in his being a member holding not more than two per cent of the paid-up share capital of such Company.

(iii) in case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

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

Register of contract in which Directors are interested.

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

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

- (a) in the case of a contract or arrangement requiring the Boards approval, within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;
- (b) in the case of any other contract or arrangement, within seven days of the receipt at the registered office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement, whichever is later;

and the Register shall be placed before the next meeting of the Board and shall then be signed by all the Directors present at the meeting.

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

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

Directors may be Directors of Companies promoted by the Company.

132. A Director or this Company may be, or become a Director of any company promoted by this Company, or in which it may be interested as a vendor, member or otherwise, and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefit received as Director or member of such company.

Disclosure by Director of appointments.

133. A Director, Managing Director, Manager or Secretary of the Company shall within twenty days of his appointment to relinquishment of his office as Director, Managing Director, Manager or Secretary in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a Register kept for that purpose in conformity with Section 303 of the Act.

Disclosure of holdings.

134. A Director, or Manager shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307. If such notice be not given at a meeting of the Board, the Director, Managing Agent, or Manager shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of a Director's, or Manager's holding of shares and debentures as aforesaid in a Register kept for that purpose in conformity with Section 307 of the Act.

Director not to hold office of profit.

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

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

(b) no partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a director is a director or member, and no director or manager of such a private company shall hold any office or place of profit carrying a total monthly remuneration of five hundred rupees or more, except that of managing director, manager, legal or technical adviser, banker or trustees for the holders of debentures of the Company :

(i) under the Company; or

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

Provided that where a relative of a Director or a firm in which such a relative is a partner, is appointed to an office or place of profit under the Company or a subsidiary thereof without the knowledge of the Director, the consent of the Company may be obtained within three months from the date of the appointment; and if such consent is not obtained within that period or is refused, the relative or the firm shall be deemed to have vacated his or its office or place on and from the date of expiry of that period and shall be liable to refund to the Company any remuneration drawn by him or it for the period immediately preceding that date.

For the purpose of this sub-clause, a special resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and to every subsequent appointment to such office or place of profit on a higher remuneration not covered by the special resolution, except where an appointment on a time scale has already been approved by the special resolution.

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

(3) If any office or place of profit under the Company or a subsidiary thereof is held in contravention of the provisions of sub-clause (1), the director concerned shall be deemed to have vacated his office as Director with effect from the first day on which the contravention occurs; and shall also be liable to refund to the Company any remuneration received, or the monetary equivalent of any perquisites or advantage enjoyed by him, in respect of such office or place of profit.

(4) Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with a director of the Company in any of the ways referred to in sub-clause (1).

136. The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions (if any) of the Act.

Loans to
Directors.

137. (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 a partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company (a) for the sale, purchase or supply of any goods, materials or services, or (b) for underwriting the subscription of any shares in, or debentures of the Company.

Board
Resolution at
a meeting
necessary for
certain
contracts.

(2) Nothing contained in the foregoing sub-clause (1) shall affect :

- (a) the purchase of goods and materials from the Company or the sale of goods and materials to the Company, by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
- (b) any contract or contracts between the Company on one side and 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 the foregoing sub-clauses (1) and (2), a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under the clause shall be accorded by a Resolution passed at a meeting of the Board and not otherwise, and the consent of the Board required under sub-clause (1) above shall not be deemed to have been given within the meaning of that sub-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 consent is not accorded to any contract under this clause, anything done in pursuance of the contract shall be voidable at the option of the Board.

(6) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract of the fiduciary relationship hereby established.

RETIREMENT AND ROTATION OF DIRECTORS

Retirement by rotation.

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

(2) The remaining Directors shall be appointed in accordance with the provisions of these Articles.

Directors to retire annually how determined.

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

Ascertainment of Directors retiring by rotation.

140. Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his re-appointment is decided or his successor is appointed.

141. Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for re-appointment.

Eligibility for re-appointment.

142. Subject to the provisions of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Company to fill up vacancy.

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

Provisions in default of appointment.

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

- (a) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
- (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so reappointed;
- (c) he is not qualified or is disqualified for appointment;
- (d) a resolution whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act.

(3) Article 146 or sub-section (3) of Section 280 of the Act is applicable to the case .

144. (1) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of director at any general meeting, if he or some member intending to propose him has at least fourteen clear days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be.

Notice of candidature for office of Director.

(2) Every person (other than a person who has left at the office of the Company a notice under Section 257 signifying his candidature for the office of a Director) proposed as 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.

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

145. At a General Meeting of the Company, a motion shall not 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 first been agreed to by the meeting without any vote being

Individual resolution for Directors' appointments.

given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time of its being so moved; Provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default another appointment shall apply.

REMOVAL OF DIRECTORS

Removal of
Directors.

146. (1) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) remove any Director before the expiry of his period of office.

(2) Special notice as provided by Article 88 or Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(3) 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.

(4) 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 a 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 (b) send a copy of the representations to every member of the Company, and if a copy of the representations 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 no 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 for defamatory matter.

(5) 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 124 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 (2) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.

(6) If the vacancy is not filled under Sub-clause (5), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Article 124 or Section 262 of the Act, and all the provisions of that Section shall apply accordingly.

(7) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.

(8) Nothing contained in this Article shall be taken :—

(a) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the

termination of his appointment as Director or of any appointment terminating with that as Director or

- (b) as derogating from any power to remove a Director which may exist from this Article.

INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS AND ALTERATION IN THEIR QUALIFICATION

147. Subject to the provisions of the Act and these Articles, the Company may by Ordinary Resolution from time to time increase or reduce the number of Directors and alter their qualification; Provided that any increase in the number of Directors except an increase which is within the permissible maximum of 12 under the Articles in force shall not have any effect unless approved by the Central Government and shall become void if and so far as it is disapproved by that Government.

The Company may increase or reduce the number of Directors and alter their qualification.

PROCEEDINGS OF BOARD OF DIRECTORS

148. The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three calendar months. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of a quorum.

Meetings of Directors.

149. A Director may at any time convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India every other Director.

When meetings to be convened.

150. Subject to the provisions of Section 287 and other applicable provisions (if any) of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (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 exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested and are present at the meeting, not being less than two shall be the quorum during such time. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally.

Quorum.

151. If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.

Adjournment of meeting for want of quorum.

152. (1) The Directors may elect a Chairman of their meetings and may determine the period for which he is to hold office.

Chairman.

(2) The Directors may appoint a Vice-Chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman shall not be present.

Vice-Chairman.

153. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, the Vice-

Who to preside at meetings of the Board.

Chairman, if present shall preside and if he be not present at such time then and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

Questions at Board Meetings how decided.

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

Directors may appoint Committees.

155. Subject to the provisions of Section 292 of the Act and Article 163, the Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such Committee, either wholly or in part, and either as to persons or purposes but every committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time be incurred on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.

Meetings of Committees how to be governed.

156. The meetings and proceedings of any such Committee 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.

Resolution by circular.

157. (1) A resolution passed by circular, without a meeting of the Board or a Committee of the Board appointed under Article 158 shall subject to the provisions of sub-clause 2 hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a Committee duly called and held.

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

(3) Subject to the provisions of the Act a statement signed by a Director or officer of the Company or other person authorised in that behalf by the Directors certifying the absence from India of any Director shall for the purpose of this Article be conclusive.

Acts of Board or Committees valid notwithstanding defect of appointment.

158. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors 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 such Directors or person acting as aforesaid, or that they or any of them were or was disqualified be as valid as if every such person, had been duly appointed and was qualified to be a Director.

159. The Company shall cause Minutes of the meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The Minutes shall contain a fair and correct summary of the proceedings at the meeting including the following :—

Minutes of proceedings of Board of Directors and Committees to be kept.

- (i) the names of the Directors present at the meetings of the Board of Directors or of any Committee of the Board.
- (ii) all orders made by the Board of Directors or Committee of the Board and all appointments of officers and committees of Directors;
- (iii) all resolutions and proceedings of meetings of the Board of Directors and the Committees of the Board;
- (iv) in the case of each resolution passed at a meeting of the Board of Directors or Committee of the Board, the names of the Directors, if any, dissenting from or not concurring in the resolution.

160. All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be so signed shall for the purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

By whom minutes to be signed and the effect of minutes recorded.

POWERS OF THE DIRECTORS

161. (1) Subject to the provisions of the Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; Provided that the Board shall not exercise any power or do any act or thing which is directed or require, whether by the Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in General Meeting; Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in General Meeting.

General powers of the Directors.

(2) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

162. The Board of Directors shall not except with the consent of the Company in General Meeting.

Consent of Company necessary for the exercise of certain powers.

- (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 repayment 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 after 1st April 1956 of any such undertaking as is referred to in sub-clause (a) above, or of any premises or properties used for any such undertaking and without which it can not be carried on or can be carried on only with difficulty or only after a considerable time;

- (d) borrow moneys in excess of the limits provided in Article 71;
- (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 fifty thousand rupees or five cent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding, whichever is greater.

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

163. (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 meetings of the Board :—

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

Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors or the Managing Directors or the Manager or any other principal officer of the Company or to a principal officer of any of its branch offices, the powers specified in (c), (d) and (e) of the sub-clause to the extent specified below on such conditions as the Board may prescribe.

(2) Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegates. Provided however, that where the Company has an arrangement with its Bankers for the borrowings of moneys by way of overdraft, cash credit or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement so made is availed of shall not require the sanction of the Board.

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

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

(5) Nothing in this Article contained shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in (a), (b), (d) and (e) of clause 1 above.

164. Without prejudice to the powers conferred by Articles 71 and 161 and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding two Articles, it is hereby declared that the Directors shall have the following powers, that is to say power :—

Certain
powers of
the Board.

- (1) To pay and charge to the capital account to the Company any commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 of the Act and Articles 24 and 173.
- (2) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any shares, securities or other property rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (3) At their discretion and subject to the provisions of the Act, to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds, debentures, debenture-stock, or other securities of the Company, and any such shares may be issued either a fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture-stock or other securities may be either specifically charged upon all or any part of the properties the Company and its uncalled capital or not so charged.
- (4) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores produce and other moveable property of the Company either separately or conjointly; also to insure all or any portion of the goods produce machinery and other articles imported and exported by the Company and to sell assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
- (5) To open accounts with any bank of bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.
- (6) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.
- (7) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.
- (8) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof, so far as may be permissible by law.
- (9) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested,

or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.

- (10) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, or of any claim or demands by or against the Company.
- (11) To refer any claim or demand by or against the Company or any differences to arbitration and observe and perform any awards made thereon.
- (12) To act on behalf of the Company in all matters relating to bankrupts, and insolvents.
- (13) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (14) To determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- (15) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof; upon such security (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, provided that save as permitted by Section 49 of the Act, all investments shall be made and held in the Company's own name.
- (16) 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 as surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, provisions and agreements as shall be agreed on.
- (17) To give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company.
- (18) (a) To provide for the welfare of employees or ex-employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses dwelling or quarters or by grants of money pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefit or any other payments or by

creating and from time to time subscribing or contributing to provident and other association, institutions, funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendances and any other form of assistance welfare or relief as the Directors shall think fit.

- (b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious scientific, national, public, political or any other institutions, objects or purposes, or for any exhibition.
- (19) Before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation, or to a Depreciation Fund, General Reserve a Reserve Fund, Sinking Fund, Insurance 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 and for special dividends, and for equalising dividends, and for repairing improving, extending and maintaining any part of the property of the Company and/or for such other purposes (including the purposes referred to in the last two preceding sub-clause) as the Directors may, in their absolute discretion think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors 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 such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of any Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of above funds or accounts, including the Depreciation Fund, in the business of the Company or the purchase or repayment of redeemable Preference Shares, debentures or debenture-stock and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow interests on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.
- (20) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions contained

in Sub-Clauses 22, 23, 24 and 25 following shall be without prejudice to the general powers conferred by this sub-clause.

- (21) To comply with the requirements of any local law which in their opinion it shall in the interests of the Company be necessary or expedient to comply with.
- (22) 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 persons to be members of such Local Board, or any managers or agents, and fix their remuneration.
- (23) Subject to the provisions of Section 292 of the Act and Article 168 from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities and discretions for the time being vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation under Sub-Clause 22 of this Article may be made on such terms, and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed and may annul or vary any such delegation.
- (24) At any time and from time to time by Power of Attorney to appoint any persons or persons to be the Attorney or Attorneys of the Company, for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any company, or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board of Directors and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board of Directors may think fit and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- (25) Generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any person, firm, company, or fluctuating body of persons as aforesaid.
- (26) Subject to the provisions of the Act and these Articles 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 for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

MANAGING DIRECTOR

165. Subject to the provisions of Sections 267, 268, 269, 310, 311, 316 and 317 and other applicable provisions of the Act and of these Articles the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included a joint Managing Director) of the Company for such term not exceeding five years at a time as they may think fit 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.

Power to
appoint
Managing
Director.

166. Subject to the provisions of the Act and of these Articles a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 139 and he shall not be taken into account in determining the rotation of retirement of Directors but he shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing 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) 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 Managing Director or Managing Directors as the Directors shall from time to time select shall be liable to retirement by rotation in accordance with Article 139 to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

What
provisions he
shall be
subject to.

167. The remuneration of a Managing Director (subject to Section 309 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors and may be by way of fixed salary or commission on profits of the Company, or by participation in any such profits or by any, or all of those modes. Save as aforesaid a Managing Director shall not receive or be paid any commission on sales or purchases made by or on behalf of the Company.

Remuneration
of Managing
Director.

163. Subject to the supervisions and control of the Board of Directors the day-to-day management of the Company shall be in the hands of the Managing Director. The Directors may from time to time entrust to and confer upon a Managing Director for the time being subject to the provision of Article 163 and these Articles and the Act such of the powers exercisable under these presents by the Directors as they may think fit and may confer such powers of such time, and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of any 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.

Powers and
duties of
Managing
Director.

REGISTERS, BOOKS AND DOCUMENTS

169. (1) The Company shall maintain Registers, Books and Documents as required by the Act.

Registers,
Books and
Documents.

(2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively under the Act on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these Articles and extracts shall be supplied to the persons entitled thereto in accordance with the provisions of the Act or these Articles.

(3) The Company may keep a foreign Register of Members in with Sections 157 and 158 of the Act. Subject to the provisions of Sections 157 and 158 the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Register of Members and/or Debenture-holders.

THE SEAL

Seal.

170. The Directors shall provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given.

Deeds how executed.

171. Every deed or other instrument to which the Seal of the Company is required to be affixed, shall unless the same as executed by a duly constituted attorney of the Company, be signed by one Director at least provided nevertheless that Certificates of debentures may be signed by one Director only or by an Attorney of the Company duly authorised in this behalf and Certificate of shares shall be signed as provided by Article 25.

Seals abroad.

172. The Company may exercise the power conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

INTEREST OUT OF CAPITAL

Payment of interest out of Capital.

173. Where any shares are issued for the purpose of raising money to defray the expenses of the construction or any works or buildings or the provisions of any plant, which cannot be made profitable for a lengthened 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 plant.

DIVIDENDS

Division of profits.

174. The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. Provided always that (subject as aforesaid) any Capital paid up a share during the period in respect of which a dividend is declared shall unless the Directors otherwise determine only entitle the holder of such share to an apportioned amount of such dividend as from the date of such payment.

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

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

176. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a large amount is paid up or credited as paid up on some shares than on others.

Dividends in to amount proportion paid up.

177. The Company in General Meeting may subject to Section 205 of the Act declare a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act may fix the time for payment. When a dividend has been so declared, the warrant in respect thereof shall be posted within forty-two days from the date of the declaration to the shareholders entitled to the payment of the same.

The Company in General Meeting may declare dividend.

178. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profit of the year or any other undistributed profits or otherwise than in accordance with the provisions of Sections 205, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Power of Directors to limit dividend.

179. Subject to the provisions of the Act, the Directors may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Interim Dividend.

180. Subject to the provisions of the Act, the Directors may retain the dividends payable upon shares in respect of which any person is under Article 64 hereof, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

Retention of dividends until completion of transfer under Article 64.

181. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons; and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereof.

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

Transfers of Shares must be registered.

183. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled, to in case of joint holders to that one of them first named in the register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

Dividends, how remitted.

184. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the provisions of Section 205(A) of the Act in respect of such dividend.

Unclaimed dividend.

185. Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on such member shall not exceed the dividend payable to him and so

Dividend and call together. Set off allowed.

that the call be made payable at the same time as the dividend, and the dividend, may, if so arranged between the Company and the members, be set off against the calls.

CAPITALISATION AND CAPITAL APPRECIATION AND RESERVE

Capitalisation.

186. (1) Any general meeting may resolve that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the appreciation in value of any capital assets of the Company) standing to the credit of the Reserve, General Reserve, or any Reserve Fund or any other Fund of the Company or in the hands of the Company available for dividend be capitalised :

- (a) by the issue and distribution as fully paid up of shares, debentures, debenture stock, bonds or other obligations of the Company, or
- (b) by crediting shares of the Company which may have been issued and are not fully and up, with the whole or any part of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

(2) Such issue and distribution under (1) (a) above and such apply such portion of the profits to Reserve, General Reserve, or Reserve made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1) (a) or payment under (1) (a) above shall be made on the footing that such members become entitled thereto as capital.

(3) The Directors shall give effect to any such resolution and apply such portion of the profits to Reserve, General Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture stock, bonds or other obligations of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1) (b) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.

(4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution or any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, debentures, debenture stock bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares,

debentures, debenture stock bonds or other obligations and fractional certificates or otherwise as they may think fit.

(5) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid and others are partly paid only such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied *pro rata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

(6) When deemed requisite a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

187. All capital appreciation realised upon any sales or transposition of the Company's investments or realisation of other capital assets shall be applied to capital purposes only, (including capitalisation under realised losses on sales or transpositions of or writing down investments or other capital assets (either individually or in the aggregate) or be carried by the Directors to a separate reserve to be called the Capital Reserve. Sums carried and standing to Capital Reserve may be applied for any of the purpose to which sums standing to the Reserve or any other fund under the provisions of Article 164(19) are applicable, except and provided that (notwithstanding any provision contained in Article 164(19) to the contrary) no part of the Capital Reserve shall in any event be transferred to revenue account or regarded or treated as profits of the Company available for dividend or be applied in paying dividends on any shares in the Company's capital, or be transferred to any Fund for any such purpose.

Capital
appreciations
and reserve.

188. All sums carried and standing to the Capital Reserve may (pending any other application thereof authorised by these Articles, be invested together with any other moneys of the Company and without it being necessary to keep separate or distinguish between the investments of the Capital Reserve and Investments of any fund or of other moneys of the Company. The Directors may vary any such investments as and when they think fit.

Investment of
money.

ACCOUNTS

189. (1) The Company shall keep at its registered office proper books of account with respect to :

Books of
account to be
kept.

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

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

(2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transaction effected at that office shall be kept at that office and proper summarised returns, made upto dates at intervals of not more than three months, shall be sent by the branch office to the Company at its registered office or other place in India, as the Board thinks fit, where the main books of the Company are kept.

(3) All the aforesaid books shall give a true and fair view of the affairs of the Company or of its branch office, as the case may be, with respect to the matters aforesaid, and explain its transactions.

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

(5) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year shall be preserved in good order.

Inspector by members of accounts and books of the Company.

190. 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 Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.

Statements of Accounts to be furnished to General Meeting.

191. The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or where an extension of time has been granted by the Registrar under the provisions of the Act, by more than six months and the extension so granted.

Balance Sheet and Profit and Loss Account.

192. (1) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the Forms, set out in Part I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.

(2) There shall be annexed to every Balance Sheet a Statement showing the investments existing on the date as at which the Balance Sheet to which the Statement is annexed has been made out.

(3) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.

(4) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

Authentication Balance Sheet and Profit and Loss Account.

193. (1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Manager or Secretary if, any by not less than two Directors of the Company, one of whom shall be a Managing Director, if there be one.

(2) Provided that when only one Director is for the time being in India, the Balance Sheet and Profit and Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non-compliance with the provisions of sub-clause (1).

(3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditors for their report thereon.

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

Profit and Loss account to be annexed and Auditors' Report to be attached to the Balance Sheet.

195. Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board of Directors with respect to the state of the Company's affairs the amounts, if any, which it proposes to carry to any Reserve in such Balance Sheet, and the amount if any, which it recommends to be paid by way of dividend and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

Boards report to be attached to Balance Sheet.

(2) The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business; in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.

(3) The Board shall also give the fullest information and explanation in its reports or in cases falling under the proviso to Section 222 of the Act in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditor's Report.

(4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of Sub-Clause (1) and (2) of Article 193.

(5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (1) to (3) of this Article are complied with.

196. The Company shall comply with the requirement of Section 219 of the Act.

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

ANNUAL RETURNS

197. The Company shall make the requisite annual returns in accordance with Section 159 and 161 of the Act, and shall file with the Registrar three copies of the Balance Sheet and Profit and Loss Account in accordance with Section 220 of the Act.

AUDIT

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

199. (1) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting, and shall within seven days of the appointment, give intimation thereof to every auditor so appointed unless he is a retiring auditor.

(2) 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 willingness 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 a notice has been given to an intended Resolution to appoint some person or persons in the place of 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.

(3) Where at an Annual General Meeting no Auditors are appointed or re-appointment, the Central Government may appoint a person to fill the vacancy.

(4) The Company shall, within seven days of the Central Government's power under Sub-clause (3) becoming exercisable, give notice of that fact to that Government.

(5) 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.

(6) 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 the 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 a retiring Auditor shall not be reappointed.

(7) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.

(8) None of the persons mentioned in Section 226 of the Act as not qualified for appointment as Auditors shall be appointed as Auditors of the Company.

200. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company except to the extent to which any exemption may be granted by the Central Government in that behalf.

Audit of
branch office.

201. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

Remuneration
of Auditors.

202. Every Auditor of the Company shall have the right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.

Rights and
duties of
Auditors.

(2) All notices of, and other communications relating to, any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

(3) The Auditor shall make a Report to the Members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account, and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account which are laid before the Company in General Meeting during his tenure of office, and the Report shall state, whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view:—

(i) In the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year, and

(ii) In the case of the Profit and Loss Account, of the Profit or Loss for its financial year.

(4) The Auditor's Report shall also state:—

(a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;

(b) Whether, in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him.

(c) Whether the report on the accounts of any branches office audited under Section 228 by a person other than the Company's auditor has been forwarded to him as required by clause (c) of Sub-Section (3) of that Section and how he has dealt with the same in preparing the Auditor's Report.

(d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.

(5) Where and of the matters referred to in clauses (i) and (ii) of sub-section (2) of Section 227 of the Act, or in clauses (a), (b), (bb) and (c) of sub-section (3) of Section 227 of the Act, or sub-section 4(a), (b) and (d) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for the answer.

(6) The Accounts of the Company shall not be deemed as not having been and the Auditor's report shall not state, that those accounts have not been, properly drawn up on the ground merely that the Company has not disclosed certain matters if :

(a) Those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Act or any other Act, and

(b) Those provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.

Accounts when audited and approved to be conclusive except as to errors discovered within three months.

203. 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 forthwith be corrected, and thenceforth shall be conclusive.

DOCUMENTS AND SERVICE OF DOCUMENTS

How document is to be presented on members.

204. (1) A document (which expression for this purpose shall, be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the Company may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notice to him.

(2) Where a document is sent by post :

(a) Service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post or with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

(b) Such services shall be deemed to have been effected.

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

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

Service on members having no registered address.

205. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

206. A document may be served by the Company to the person 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 him by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency did not occur.

Service on persons acquiring shares on death or insolvency of member.

207. Subject to the provisions of the Act and these Articles notice of General Meetings shall be given :

Persons entitled to notice of General Meeting.

(i) to the members of the Company provided by Article 88 in any manner authorised by Articles 208 and 209 as the case may be or as authorised by the Act;

(ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 210 or as authorised by the Act;

(iii) to the Auditor or Auditors for the time being of the Company in any manner authorised by Article 208 or the Act in the case of any member or members of the Company.

208. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members, or any of them, and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in one daily English and one daily Vernacular newspaper circulating in Bombay.

Advertisement.

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

Members bound by document given to previous holders.

210. Any notice to be given by the Company shall be signed by a Director or by such officer as the Directors may appoint, and such signature may be written or printed or lithographed.

Notices by Company and signature thereto.

211. All notices to be given on the part of members to the Company shall be left at or sent by registered post to the Registered Office of the Company.

Service of notice by Members.

AUTHENTICATION OF DOCUMENTS

212. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Director or an authorised officer of the Company and need not be under its Seal.

Authentication of documents & proceedings.

WINDING UP

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 early as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the

Distribution of Assets.

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

214. (1) If the Company shall be wound up, where 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 liquidators, with the like sanction shall think fit.

Distribution
specie or kind.

(2) If thought expedient and such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory shall be determined on, any contributory who would be prejudiced 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 liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable, act accordingly.

215. A Special Resolution sanctioned 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 liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said sanction.

Right of
shareholders in
case of sale.

SECURITY CLAUSE

216. No member shall be entitled to visit or inspect the Company's works without or inspect the Company's works without the permission of the Directors 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 or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

Security
Clause.

INDEMNITY AND RESPONSIBILITY

217. (a) Subject to the provision of Section 210 of the Act every Manager, Director, Managing Director, Secretary and other officer or employees of the Company shall be indemnified by the Company against

and it shall be the duty of the Directors out of the funds of the Company to pay all the cost, losses and expenses (including travelling expenses) which any such Director, Managing Director, Manager, officer or employee may incur or become liable to by reason of any contract entered into or act, or deed done by him as such Director, Officer or Servant or in any way in the discharge of his duties.

(b) Subject as aforesaid every Director, Managing Director, Manager, Secretary or other officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

218. Subject to the provisions of Section 201 of the Act no Director or Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other director or officer, security in or upon which any of the moneys of the Company shall be or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any invested or for any loss or damage arising from bankruptcy, insolvency, or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own dishonesty.





We, the several persons, whose names, addresses and descriptions are hereunder subscribed, below are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names :

Signature, Name, Address, description and occupation of Subscriber.	Number of Equity Shares taken by each Subscriber	Signature, Name Address, description and occupation of Witness
<p><i>SR Shah</i> Shivji bhai 50 Raajibhai Shah 10 Jaybandhu 90 road, Ghatkoper Bombay 77. - Business</p>	<p>1 (one) Equity</p>	
<p>2. Morarji Damji Vora Morarji Damji Vora Son of 5, Dilkhush. V. B. Lane, Ghatkoper Bombay. 77 Business.</p>	<p>1 (One) Equity</p>	<p>Hemant. M. Desai</p>
<p>3 Hemlata Shivji bhai Shah wife of Shivji bhai Shah 10, Jaybandhu 90. road Ghatkoper Bombay 77 Business</p>	<p>1 (one) Equity</p>	<p>HEMANT DESAI SON OF MANUBHAI DESAI.</p>
<p>4 NIKESH PRIYAKANT GANDHI, SON OF PRIYAKANT GULABCHAND GANDHI, CP. M/S. PARIKH & SHAH, MEHTA CHAMBERS, 13, MATHEW ROAD, BOMBAY-400 004. SERVICE</p>	<p>1 (one) Equity</p>	<p>7, JAMNAGAR SOCIETY 29, JUMU SCHEME. BOMBAY - 49</p>
<p>5 NIKHIL GUNVANTRAI DESAI SON OF GUNVANTRAI NARANJIBHAI DESAI 306, E-1 BHARATNAGAR, 342, GRANT ROAD, BOMBAY-400007 SERVICE</p>	<p>1 (one) Equity</p>	<p>- STUDENT.- AGE: 22 years</p>
<p>6 Sargod SHANTKUNAR GANAPATI HEDE SON OF GANAPATI SIVARAM HEDE 341 935 NEHRU MARG KURLA (EAST) BOMBAY - 400024 SERVICE</p>	<p>1 (one) Equity</p>	
<p>7 Birendra BIRENDRA PARIKH SON OF MANILAL PARIKH 11, PREMKUNJ BHADRAN NAGAR ROAD N L HIGH SCHOOL MALAD WEST BOMBAY 400064 SERVICE</p>	<p>1 (one) Equity</p>	
<p>TOTAL</p>	<p>7 SEVEN</p>	<p>EQUITY SHARES.</p>

BOMBAY Dated the 12TH day of February 1982.