

Forward No. 64
 Primary No. 227
 4582



MEMORANDUM OF ASSOCIATION OF ROLCON ENGINEERING COMPANY LIMITED

I. The Name of the Company is ROLCON ENGINEERING COMPANY LIMITED.

II. The Registered Office of the Company shall be situated in the State of Gujarat.

III. The Objects for which the Company is established and which extend to all the States of India, are :-

A. Main objects to be pursued by the Company on its incorporation :

1. To manufacture, fabricate, buy, sell, import, export, repair, maintain and deal in Chains of every descriptions; such as Roller Transmission Chains; Elevator and Conveyor Chains; Chains for all types of Mechanical Handling Equipments; Industrial Machinery Chains and all other kinds of Chains and Components whether for industrial requirements or otherwise.

2. To carry on the business of engineers, founders, smiths, machinists, manufacturers and dealers in industrial plants, machinery, components, equipments, apparatus and appliances of every description.

3. To carry on the business of builders and contractors, iron founders, steel-makers, manufacturers and engineers of industrial machinery, tools, implements and metalware of every description: brass founders, metal workers, millwrights, machinists, wire drawers; tube, pipe and tank manufacturers; moulders, metallurgists, fitters, galvanisers, japanners, electro-platers, and enamellers and die-makers.

4. To carry on the business of manufacturers of iron, steel, aluminium, brass, copper, lead, silver and all other metal sheets, pipes, rods, squares, plates of all sizes and descriptions; lead and other metal foils and utensils; lead and brass pipes, sheets, ingots and circles and other manufactures and parts.

5. To act as consulting engineers in mechanical, electrical, chemical, metallurgical, and other related industries and to undertake design and construction of industrial equipments and plants.

6. To undertake and execute any contract for works involving supply or use of any plant, machinery, tools and apparatus, appliances, equipments and components and to carry out any ancillary and other works comprised in contracts.

1189
 Rs. 4,000/-
 Memo. of Assoc
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Office of the Registrar of Companies, Gujarat
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 Rolcon Emgcy. Co. Ltd
 M.A.
 14.3.67
 R. K. S. Patel



B. Incidental and Ancillary objects to the attainment of Main objects:

1. To manufacture and produce and either as principals or agents, trade and deal in any articles belonging, dealt in or manufactured by the Company, including all apparatus, appliances and things used in connection with the business of the Company.

2. To trade in all articles and things which the Company may manufacture, produce or deal in and to manufacture, import, export, buy, sell, let on hire, exchange, alter, improve, manipulate, prepare for market and/or otherwise deal in or distribute all kinds of plants, machinery, machine parts, tools, apparatus, utensils, chemicals, raw materials and substances necessary or convenient for carrying on any of the herein specified business of the Company.

3. To manufacture, purchase or acquire various apparatus, machinery, equipments, appliances, furniture, and raw materials and other materials, necessary or requisite for the production of the goods of the Company.

4. To apply for, purchase or otherwise acquire, and protect, prolong and renew whether in India or elsewhere, any patents, patent rights, brevets d'inventions, licences, protections, concessions and the like conferring any exclusive or limited right to any invention, secrets, or other information which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem directly or indirectly to benefit the Company and to use, exercise, develop, manufacture under or grant licences or privileges in respect of, or otherwise turn to account any patents, property rights, inventions, secrets or information so acquired and to spend money in experimenting upon, testing, improving or seeking to improve the patents, property rights, inventions, secrets or information so acquired or proposed to be acquired.

5. To purchase, lease or otherwise acquire lands and buildings for the erection of factories and workshops and to establish, maintain, improve and equip such factories, workshops offices with plants, engines and machinery for manufacturing any of the products of the Company or for any other purpose.

6. To acquire and undertake, manage or maintain the whole or any part of the business, property and liabilities of any person or company carrying in, authorised to carry on or possessed of property suitable for the purposes of the Company.

7. To let out on hire all or any of the property of the Company (whether real or personal) including every description of apparatus or appliances of the Company.

8. To adopt such means of making known the goods and products of the Company through any media, as may seem expedient and in particular by advertisements in the press, by circulars and by granting prizes, rewards and donations. To hold or promote competitions of any descriptions authorised by law which may be calculated to increase the business of the Company or to advertise or promote the sale of any products dealt in by the Company or any publications issued by it or in which it is interested and to give prizes in connection with such competitions or otherwise consisting of cash, scholarships or other terminable payments, gifts, in kind or any other bonus reward or advantage.

9. To acquire from time to time and to manufacture, import, export and deal in all kinds of stock-in-trade, goods chattels and effects.

10. To purchase, take on lease or in exchange, hire or otherwise acquire and hold any estate or interest in lands, buildings, easements, rights, privileges, concessions, machinery, patents, plant, stock-in-trade, and movable and immovable property of any kind necessary or convenient for the purpose of the Company.

11. To take or otherwise acquire and hold shares, stock, debentures or other interests in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.

12. To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.

13. To sell or dispose of the undertaking of the Company or any part thereof on such consideration as the Company may think fit; and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to that of the Company.

14. To borrow or raise or secure the payment of money in any manner and upon any terms for the purposes of or in connection with the business of the Company. *Provided the Company will not carry on banking business within the meaning of the Banking Companies Act, 1949.*

15. To sell, improve, manage, exchange, mortgage, dispose of, turn to account, let on rent, royalty, share of profits or otherwise, to grant licenses, assessments and other rights of and in any other manner deal with all or any part of the undertaking and all or any part of the movable and immovable property, present or future.

16. To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum and also by way of security for the performance of any contracts or obligations of the Company.

17. To guarantee the debts and contracts of customers and others.

18. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.

19. To lend money to such person and on such terms as may seem expedient and particularly to members of the staff, customers and others having dealings with the Company.

20. To make advances of such sum or money, upon or in respect of or for the purchase of raw materials, goods, machinery, stores or any other property, articles and things required for the purposes of the Company, upon such terms with or without security as the Company may deem expedient.

21. To borrow or raise moneys or to receive money on deposit at interest for any of the purposes of the Company, and at such time or times and in such manner as may be thought fit and particular by the issue of debentures, perpetual or otherwise, including debentures convertible into

shares of this or any other company or perpetual annuities and for security for any such money so borrowed, raised or received or of any such debentures, so issued to mortgage, pledge or charge the whole or any part of the property assets, or revenue and profit of the Company present or future, by special management or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities.

22. To pay for any property or rights acquired by the Company either in cash or in fully or partly paid up shares, with or without preferred rights in respect of dividend or repayment of capital or otherwise or by any securities which the Company has power to issue or partly in one mode and partly in another and generally on such terms as the Company may determine.

23. To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company either in cash, by instalments, or otherwise or in fully or partly paid up shares of any company or corporation with or without preferred rights in respect of dividends or repayment of capital or otherwise or in debenture or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation or partly in one mode and partly in another and generally on such terms as the Company may determine.

24. To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

25. To draw, make, accept, endorse, discount, execute and issue, negotiate, assign and otherwise deal in cheques, drafts, promissory notes, bills of exchange, hundies, debenture bonds, bills of lading, railway receipts, warrants and all other negotiable or transferable instruments.

26. To open an account or accounts with any individual, firm or company or with any Bank or Banks or Bankers or Shroffs and to pay into and to withdraw money from such account or accounts.

27. To make donations to such persons or institutions and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient.

28. To subscribe and pay money for charitable or benevolent objects or for any exhibition or for any public general or other objects and to establish and support or aid in the establishment and support of associations, institutions, trusts and conveniences for the benefit of the employees or of persons having dealings with the Company or the dependants, relatives or connection of such persons and in particular friendly or other benefit societies and to grant pensions, allowances, gratuities and bonuses either by way of annual payments or a lump sum, and to make payments towards insurances, and to form and contribute to provident and benefit funds, to or for such persons.

29. To do all such other things as are incidental or may be thought conducive to the attainment of all objects or any of them, in any part of the world, and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others.

C. Other objects not included either as Main or Incidental and Ancillary objects :—

1. To carry on the business of mechanical and electrical engineers, mechanists, millwrights, founders, wiredrawers, tube makers, metallurgists and to manufacture, buy, sell, repair, alter and deal in apparatus, machinery, materials and all types of internal combustion engines, including oil and petrol engines, gas turbines, steam turbines and boilers and all components, spare parts and accessories for use in connection therewith.

2. To carry on business as manufacturers and dealers in plants, machines, machinery, vessels, syphons, filters, bottles, boxes, cases, apparatus, appliances and receptacles of all kinds for manufacturing, improving, treating, preserving, refining, aerating, mineralising, bottling and discharging any liquids or otherwise dealing with any manufactured product or thing.

3. To carry on the business of iron-founders, mechanical engineers, manufacturers of implements, machinery and machine and other tools makers, brass founders, metal workers, iron and steel converters, smiths, wood-workers, metallurgists, and to buy, sell, repair, convert, alter, export, import, let on hire, manufacture and deal in perforated metals, metal screens and all other kinds of screens for industrial machinery.

4. To carry on the business of electrical engineers and of manufacturers of electric apparatus and appliances required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity and to buy, sell, import, export, or otherwise deal in such apparatus or appliances.

5. To search for, get, work, raise, make merchantable, sell and deal in iron, coal, ironstone, brick-earth, bricks and other metals, minerals and substances and to manufacture and sell patent fuel.

6. To carry on business as manufacturers of chemicals and manures, distillers, dye makers, gas makers, metallurgists and mechanical engineers and to carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on.

7. To make and deal in furniture whether of wood, metal or any other material of all descriptions and styles in all classes of work and with or without metal, glass, porcelain or other additions or fittings including all materials and workmanship required for the proper finishing, polishing, upholstering and completing of all and every kind of furniture.

8. To undertake either alone or jointly with any other companies or persons, the complete or partial erections and constructions of buildings, and works of all description including electric works, water works and drainage and sewage works.

9. To act as managing agents of any company, individual or firm or association and for such periods and on such remuneration, terms and conditions as may be agreed upon from time to time between the Company and such company, individual, firm or association.

10. To carry on the business of merchants, financiers and agents of all kinds in any form and in particular to act as agents, trustees, guarantors, financiers or delcredere agents, distributors, sole concessionaires for other companies, individuals or firms or others either in India or abroad.

11. To establish and carry on the business of makers, manufacturers, producers, purchasers, sellers, distributors, importers, exporters, repairers and dealers in textile machinery including spinning frames, fly forms, carding and blow-room machinery, doublings, winding and warping machines, dyeing, bleaching and finishing plants, as well as equipments, parts, accessories, tools, implements, electrical and mechanical machines, apparatuses, devices and contrivances of every kind and description.

12. To carry on the business of manufacturers of and dealers in metals, enamels, alloys, wood, synthetic fibres, synthetic resins including plastics; rubber, chemicals and all such products derived or manufactured therefrom.

13. To carry on the trade or business of iron-masters, steel makers, steel converters, colliery proprietors, coke manufacturers, miners, smelters, engineers, steel plate makers, iron founders, and manufacturers of non ferrous metal products in all their respective branches.

14. To carry on any business relating to the winning and working of minerals, the production and working of metals, coal, bricks, clay, limestone and other substances and the productions, manufacture and preparation of any other materials which may be usefully or conveniently combined with the engineering or manufacturing business of the Company, or any contracts undertaken by the Company and either for the purposes only of such contracts or as an independent business, and to undertake and execute any contracts for works involving the supply or use of any machinery and to carry out any ancillary or other works comprised in such contracts.

15. To acquire the right to use of manufacture and put up telephones, telegraphs, dynamos, accumulators, lamps and all apparatus now known or that may hereafter be invented, connected with the generation, accumulation, distribution, supply and employment of electricity or any power that can be used as a substitute therefore, including all cables, wires or appliances for connecting apparatus at a distance with other apparatus, and including the formation of exchange of centres.

16. To manufacture, fabricate, buy, sell, import, export, repair, maintain and deal in all kinds of mechanical handling equipments; machinery and mechanical, electrical or all other kinds of automotive devices of any descriptions for loading, unloading, transportation and placement of men, materials and all other goods whether alive or otherwise.

17. To become and undertake the office of managing agents, treasurers, promoters, executors, trustees and receivers or agents of any person firm or company either independently or jointly with any other person, firm or company and to carry on all kinds of agency business in any part of the world.

18. To establish or promote or concur in establishing or promoting any other company whose object shall include the acquisition and taking over all or any of the assets and liabilities of or shall in any manner be calculated to advance directly or indirectly the objects or interest of the Company.

19. To amalgamate with any other company whose objects are similar to those of this Company, whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking subject to the liabilities of this or any other company as aforesaid with or without winding up or by sale or purchase (for fully or partly paid up shares or otherwise) of all the

shares or stock of this or any such other company as aforesaid, or by partnership or any arrangements of the nature of partnership or in any other manner.

20. To carry out business of production, manufacture and preparation of any other materials which may be usefully and conveniently combined with the engineering and manufacturing business of the Company.

21. To carry on any business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with or calculated directly or indirectly to enhance the value of or render profitable the business of the Company or any of the Company's properties or rights.

And IT IS HEREBY DECLARED that the words "company" in this Memorandum when applied otherwise than to this Company, shall be deemed to include any authority, partnership or other body of persons, whether incorporated or not incorporated and whether domiciled in India or elsewhere.

IV. The Liability of the Members is Limited.

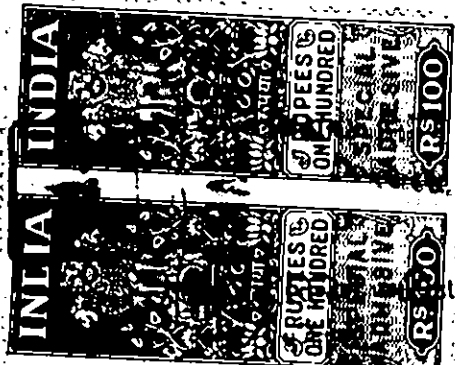
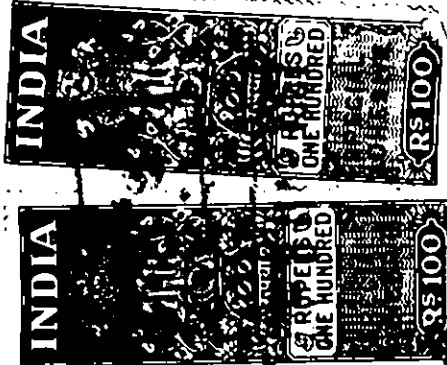
V. The ^{Authorized} Share Capital of the Company is Rs. 30,00,000/- (Rupees Thirty Lakhs) divided into 30,000 (Thirty Thousands) Shares of Rs. 100/- (Rupees One Hundred) each with power to increase or reduce the capital and divide the Shares in the Capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary modify and abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the regulations of the Company and the statutory provisions, if any, and to consolidate or subdivide the shares and issue shares of higher or lower denomination.

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



Name of Subscribers.	Address, Occupation and Description of Subscribers.	Number of Shares taken by each Subscriber.	Signature of Subscribers.	Signature of the Witnesses and their Address, Description and Occupations.
Shantilal Ishwarbhai Patel S/o Ishwarbhai Bhutabhai Patel.	Gandhi Marg Vallabh Vidyanagar Industrialist	50 fifty only. (equity)	S. Patil	Witness to subscribers No. 1 to 3 <i>(Signature)</i>
Chandrakant Himabhai Amin S/o Himabhai Hirabhai Amin	Near University Building Vallabh Vidyanagar Industrialist	50 fifty only (equity)	Ch. Amin	<i>(Signature)</i> Majur Lal Majur S/o. Kamaldev's Kharadi, Dhanpur Banskh S. S. Amin
Jayant Chandel Amin S/o Prunilal Mujibhai Amin	Ahaswala Bldg. Vallabh Vidyanagar Service	Ten (10) (equity)	<i>(Signature)</i>	Witness to subscribers No. 4 to 7 <i>(Signature)</i>
Bhambhai Bhaikalbhai Patel S/o Bhaikalbhai Manganbhai Patel	Gandhi Marg Vallabh Vidyanagar Industrialist	(5) Five equity shares	<i>(Signature)</i>	Member of Giroshuman S. S. Amin
Sushila. Shantilal Patel W/o Shantilal Ishwarbhai Patel	Gandhi Marg V. Vidyanagar House Wife	50 Fifty Equity	S. S. Patel	Shreeji Colony Vallabh Vidyanagar (Dist. Kharadi) occupying Service
Dhiruben Chandrakant Amin W/o Chandrakant Himabhai Amin	Circular Road Vallabh Vidyanagar House Wife	5 five Equity	D. C. Amin	<i>(Signature)</i>
Ashu Chandrakant Amin D/o Chandrakant Himabhai Amin	Circular Road Vallabh Vidyanagar student.	5 five equity.	A. C. Amin	<i>(Signature)</i>

Dated this 7th day of March 1967.



ARTICLES OF ASSOCIATION
OF
ROLCON ENGINEERING COMPANY
LIMITED

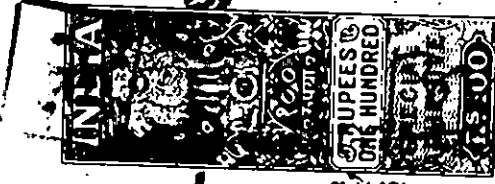
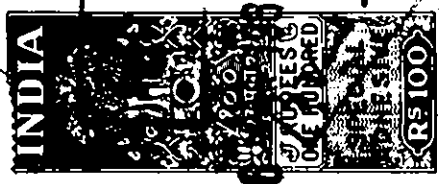


TABLE "A" EXCLUDED

1. The regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956, (hereinafter referred to as "the Act" or "the said Act") except so far as such regulations are embodied or expressly made applicable in these Articles, shall not apply to this Company, but the regulations for the management of the Company and for the observance thereof by the Members and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Act, be such as are contained in these Articles.

Table "A" not to apply.

INTERPRETATION

2. The marginal notes in these Articles of Association shall not affect the construction thereof.

Marginal notes not authoritative.

In the interpretation of these Articles, the following words and expressions shall have the following meanings, unless repugnant to the meaning or context thereof:—

Interpretation clause.

"Alter" and "alteration" shall include the making of additions and omissions.

"Alter" and "Alteration".

"The Company" means ROLCON ENGINEERING COMPANY LIMITED.

"The Company" or "this Company".

"The Act" means "The Companies Act, 1956" or any statutory modification thereof or any other Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to Companies.

"The Act".

"Auditors" means and includes those appointed as such for the time being by the Company.

"Auditors".

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

"Board".

"Directors" means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a meeting of the Board or acting by Circular under the Articles of Association of the Company.

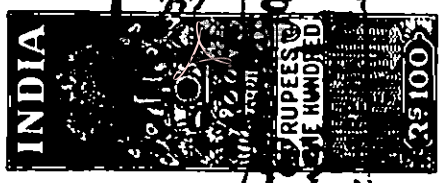
"Directors".

"Dividend" includes interim dividend and bonus.

"Dividend".

Words importing the masculine gender also include the feminine gender.

"Gender".



Handwritten notes and stamps on the right margin, including '357', 'Rs. 30/-', 'Not of Assn.', '8.3.67', '17/3', and '6'.

"In writing" or "Written".	The expressions "in writing", 'written' or any other expression referring to writing, shall, unless the contrary intention appears, mean written or printed or lithographed or partly written and partly printed or lithographed, or typewritten or any other modes of representing or reproducing words in a visible form.
"Members".	"Members" means the duly registered holders, from time to time, of the shares of the Company.
"Month".	"Month" means a calendar month.
"Office".	"Office" means the Registered Office for the time being of the Company.
"Paid up".	"Paid up" includes credited as paid up.
"Persons".	"Persons" include corporations as well as individuals.
"Public Holiday".	"Public Holiday" means a public holiday within the meaning of the Negotiable Instruments Act XXVI of 1881.

Provided that no day declared by the Central Government to be a Public Holiday shall be deemed to be such a holiday, in relation to any meeting, unless the declaration was notified before issue of the Notice convening such meeting.

"Company's Regulations" or "these presents" or the "Article".	"Company's Regulations" or "these presents" or 'the Articles' mean these Articles of Association as originally framed and registered or as altered from time to time by Special Resolution.
"Seal".	"Seal" means the Common Seal for the time being of the Company.
"Singular Number".	Words importing the singular number include, plural number and vice versa.
"Ordinary Resolution" and "Special Resolution".	"Ordinary Resolution" and "Special Resolution" shall have the meaning respectively assigned to these terms by Section 189 of the Act.
"Variation".	"Variation" shall include abrogation; and "vary" shall include abrogate.
"Year" and "Financial Year".	"Year" means a Calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (17) of the Act.

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.

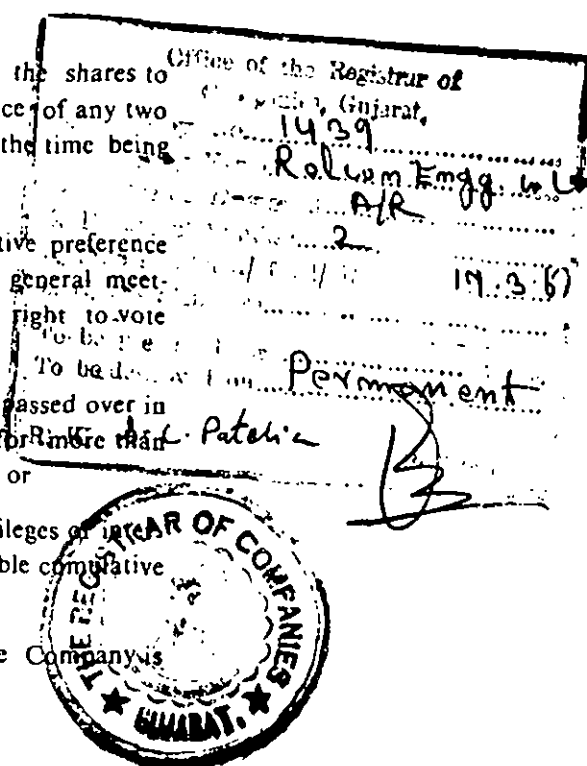
COPIES OF MEMORANDUM & ARTICLES

Copies.	3. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every Member at his request within seven days of the request on payment of a sum not exceeding Rupee one for each copy, or such larger sum as may be permitted under the Act.
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CAPITAL

Capital

4. (a) The Share Capital of the Company is Rs. 30,00,000/- divided into 14,000 Equity Shares of Rs. 100/- each; 4,000, 10 percent Redeemable Cumulative Preference Shares of Rs. 100/- each and 12,000 Unclassified Shares of Rs. 100/- each.
- (b) The holders of 10 percent Redeemable Cumulative Preference Shares shall be entitled to be paid out of the profits which the Directors shall determine to distribute by way of dividend, a fixed cumulative preferential dividend at the rate of 10% per annum on the capital for the time being paid up thereon, or as may be specified in these Articles by amendment thereof prior to the issue of the said preference shares and to a right on redemption or winding up to be paid all arrears of preferential dividend, whether earned or declared or not, down to the redemption thereof or the commencement of the winding-up, as the case may be, and also to be repaid the amount of capital paid up or credited as paid up on the preference shares held by them respectively in priority to any payment in respect of the equity shares, but shall not be entitled to any other rights in the profits or assets of the Company. Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of the winding up of the Company, the holders of the equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the equity shares in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.
- (c) (i) The Company may at its option redeem the said 4,000 10 per cent redeemable cumulative preference shares in part or whole, at par, and at any time after ten years in any manner authorised by Section 80 or other applicable provisions of the Act, by giving notice in that behalf to the holders thereof in accordance with the provisions of the Act.
- (ii) In the event of partial redemption, if any, the shares to be redeemed shall be drawn by lots in the presence of any two Directors and a representative of the auditors for the time being of the Company.
- (d) The said 4,000 10 per cent redeemable cumulative preference shares shall confer the right to attend and speak at general meetings of the Company but shall not confer any right to vote except when :—
- (i) the cumulative preference dividend is passed over in any year or has remained in arrears for more than six months from the date it is declared; or
 - (ii) any resolution affecting the rights, privileges or interests of the holders of the said redeemable cumulative preference shares is proposed; or
 - (iii) any resolution for the winding-up of the Company is proposed.



(e) The rights for the time being attached to the said redeemable preference shares or to any shares having preferential qualified or special rights, privileges or conditions attached thereto may be modified, varied or abrogated in accordance with these regulations and the Act.

(f) The unclassified shares for the time being in the capital of the Company may be issued, subject to the provisions of the Act, with or without any preferential rights and privileges annexed thereto and in particular, such shares may be issued with preferential and qualified rights to dividends and in distribution of assets of the Company.

5. Subject to the provisions of Section 80 of the Act, the Company shall have power to issue Preference Shares carrying a right to redemption or liable to be redeemed at the option of the Company, and the Directors may, subject to and in accordance with the provisions of Section 80 and of these presents, exercise such power in any manner prescribed by the resolution authorising the issue of such shares.

6. Subject to the provisions of Section 77 of the Act, none of the funds of the Company shall be employed in the purchase of its own shares and the Company shall not, directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, give any financial assistance for the purpose of, or in connection with, any purchase or subscription of shares in the Company or its holding Company.

7. The Company shall have power to issue shares at a premium and shall duly comply with the provisions of Section 78 of the Act.

8. 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 (subject to the provisions of Section 70 of the Act) either at a premium or at par, or, (subject to 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 the sanction of the Company in General Meeting, to give to 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 and during such time and for such consideration as the Directors think fit. Provided however that the Company in General Meeting shall be entitled to make any provision or provisions as regards the offer, issue, allotment or other disposal of such shares before the issue thereof by the Directors.

The Directors may allot and issue Shares in the capital of the Company in payment or part payment for any property sold and transferred or for services rendered to the Company in or about the formation or promotion of the Company or the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and, if so issued, shall be deemed to be fully paid shares.

9. As regards all allotments from time to time made, the Directors shall duly comply with the provisions of the Act in that behalf. Return of Allotments.

10. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, 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. Instalments on Shares to be paid.

UNDERWRITING AND COMMISSION

11. Subject to the provisions of Section 76 of the Act; the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company, or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares, debentures, or debenture-stock of the Company, but so that if the commission in respect of shares shall be paid or payable, the statutory conditions and requirements shall be observed and complied with; and the rate of commission shall not exceed five per cent of the price at which the shares are issued and two and a half per cent of the price at which the debentures are issued. The commission may be paid or satisfied in cash or in shares, debentures or debenture-stock of the Company or partly in one way and partly in the other. Commission for placing shares.

12. The Company may pay a reasonable sum for brokerage on any shares or debentures or debenture-stock. "Brokerage,"

13. Save as required by law or as by these presents otherwise provided, 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 any other claim or right to or interest in any share except an absolute right to the entirety thereof in the registered holder. No notice of any trust, express, implied or constructive shall be entered on the Register of Members or Debenture Holders. Trust not recognised.

SHARES

14. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. Register and Index of Members.

15. Each share in the Company shall be distinguished by its appropriate number. A Certificate, under the Common Seal of the Company, specifying any shares held by a member shall be *prima facie* evidence of the title of the member to such shares. Shares to be numbered and Certificate etc.

16. The Board of Directors shall observe the restrictions as to allotment of shares to the public contained in Sections 69 and 70 of the Act as the case may be, and shall cause to be made the returns as to allotment as provided for in Section 75 of the Act. Restriction on allotment.

17. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member. Acceptance of Shares.

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

18. The money (if any) which the Board of 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 share allotted by them, shall immediately on the entry of the name of the allottee in Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members.

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

CERTIFICATES

Certificates.

20. The Certificates of title to a share shall be issued under the seal of the Company which shall be affixed in the presence of and signed by at least two Directors and the Secretary or some other person appointed by the Board for the purpose : Provided that at least one of the aforesaid two Directors shall be a person other than a managing or whole-time Director or, if the Company has a managing agent, a Director appointed by the Managing Agent in accordance with the provisions of Section 377 of the Act or a Director to whom Section 261 of the Act applies. A Director may sign a share certificate by affixing his signature thereto by means of any machine equipment or other mechanical means such as engraving in metal or lithography. Provided further 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. Unless the conditions of issue of the shares otherwise provide, the Company shall, within four months after the allotment of any of its shares and within two months after the application for the registration of the transfer of any such shares, complete and have ready for delivery certificates of all shares.

Members' right to Certificates.

21. Every member shall be entitled free of charge to one Certificate for all the shares of each class or denomination registered in his name, and if he sells part of his holding, to one certificate for the balance; or he may, upon paying such fee as the Directors may, from time to time determine, have several certificates, each for one or more shares.

Issue of new Certificate.

22. If any certificate be old, decrepit, worn out, torn, defaced or otherwise mutilated or rendered useless 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, free of charge, a new certificate in lieu thereof. If any certificate is lost or destroyed, then, upon proof thereof to the satisfaction of the Directors, and on such indemnity as 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 of such fee not exceeding Rupee one as the Directors may determine in that behalf.

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

23. A Certificate of shares registered in the names of two or more persons, shall, unless otherwise directed by them in writing be delivered to the person first named on the Register of Members.

Delivery of certificate to joint holders.

CALLS

24. The Directors may, from time to time, by a resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as 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 and places appointed by the Board of Directors. A call may be made payable by instalments. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share.

Calls
Liability of joint holders of shares.

25. All calls for share capital 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 the same class.

Calls to be made on uniform basis.

26. 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.

When calls deemed to have been made.

27. At least fifteen days' notice of every call shall be given either by advertisement or by written notice sent to the respective registered addresses of members specifying the time and place of payment, and to whom such call shall be paid. Provided that the Directors may by notice, in writing or by advertisement, to the members revoke the call or extend the time for payment thereof.

Notice of Call.

28. If by the terms of issue of any share or otherwise, any amount is made payable on allotment or at any fixed date or by instalments at fixed dates, whether on account of the nominal amount of the shares 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 times or fixed instalments shall be payable as calls.

29. The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom, for residence at a distance or other cause, the Board of Directors may deem fairly 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.

30. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, or any such extensions thereof as aforesaid, the holder, for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at the rate of rupees nine per cent per annum from the day appointed for the payment thereof to the time of the actual payment, or at such other rate as the Directors may from time to time determine. The Directors may, in their absolute discretion, waive the payment of interest under this clause generally or in the case of any particular person or persons liable to pay such calls.

Interest on call or instalment.

31. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any money due for any call or other money in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the mon-

Evidence on action for call.

ey is sought to be recovered is entered in the Register of Members as the holder, or one of the holders of shares at or subsequently to the date at which the money sought to be recovered is alleged to have become due; that the resolution making the call is duly recorded in the Board Minute Book; and that notice of such call was duly given to the member or his legal representatives sued, 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 matters whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debit.

Payment of calls in advance.

32. The Board of Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the sum due upon the shares held by him beyond the sums actually called for; and upon the amount so paid or satisfied in advance, or so much thereof as, from time to time, exceeds the amount of 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 Board of Directors agree upon, and the Board of Directors may at any time repay the moneys so advanced upon giving to such member three months' notice in writing. The amount paid up in advance of calls, shall not confer any voting rights in respect of the moneys so paid until the same would, but for such payment, become presently payable.

FORFEITURE, SURRENDER AND LIEN

Notice upon failure to pay call or instalment.

33. If any member or his legal representative, as the case may be, fails to pay any call or instalment or any money due in respect of any shares, either by way of interest or otherwise, on or before the day appointed for the payment of the same or any extension thereof as the case may be, the Directors may at any time thereafter, during such time as the call, instalment, interest or other money or any part thereof remains unpaid, or a judgement or decree in respect thereof remains unsatisfied, in whole or in part, serve a notice on such member or his legal representative as the case may be requiring him to pay the same or such part thereof as remains unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of Notice.

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

Forfeiture on Failure to comply with notice.

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

Notice of forfeiture.

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

be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

37. Any shares so forfeited shall be deemed to be the property of the Company, and the Directors may sell, allot or otherwise dispose of the same either to the original holder thereof or to any other person upon such terms and in such manner as they may think fit.

Forfeited shares to become property of the Company.

38. The Directors may at any time before any shares 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.

39. (i) Any member whose shares have been forfeited shall notwithstanding, be liable to pay, and shall forthwith pay to the Company, all calls, instalments, interest, expenses or 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 nine per cent per annum as the Directors may determine, and the Directors may enforce the payment thereof if they think fit, but shall not be under any obligation so to do.

Arrears to be paid notwithstanding forfeiture.

(ii) The Directors may, subject to the provisions of the Act, accept a Surrender of any Shares from or by any member desirous of surrendering them, on such terms as they think fit.

Surrender of Shares.

40. The forfeiture of a share shall involve the extinction of all interests in, and also of all claims and demands against the Company in respect of the share and all dividends and all other rights incidental to the share, except only such of the rights as by these Articles are expressly saved.

Effect of Forfeiture.

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

Evidence of forfeiture.

42. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others), and upon the proceeds of the sale thereof for all moneys, called or payable at a fixed time in respect of such shares, and no equitable interest in any share shall be created except upon the footing and condition that Article 13 hereof is to have full effect; and such lien shall extend to all dividends and bonuses 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.

Company's lien on shares.

Enforcing lien by sale.

43. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his heirs, executors or administrators, or his committee, curator bonis, or other legal representatives as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid 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.

Application of proceeds of sales.

44. The net proceeds of any such sale shall be received by the Company and after payment of the costs of such sale shall be applied in or towards payment or such part of the amount in respect of which the lien exists as is presently payable and the residue (if any) shall be paid to such member, his heirs, executors, administrators or assigns or his Committee, curator bonis or other legal representatives, as the case may be.

Validity of sales under clauses 37 and 43.

45. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of members in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

Transfer when not to be registered.

46. No transfer of any share or debenture shall be registered by the Company unless a 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 share or debenture or if no such certificate is in existence along with a letter of allotment of the share or debenture and the transferor shall be deemed to be the holder of such share or debenture until the name of the transferee is entered in the Register in respect thereof. 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 clause shall prejudice any power of the

Company to register as shareholder or debenture holder any person to whom the right to any share in, or debenture of, the Company has been transmitted by operation of law.

47. (i) An application for the registration of a transfer of the shares or other interest of a member in a Company may be made either by or on behalf of the transferor or by or on behalf of the transferee.

Application for transfer.

(ii) 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.

(iii) For the purposes of sub-clause (ii), 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 at which it would have been delivered in the ordinary course of post.

48. The instrument of transfer of any share shall be in such form as shall from time to time be permissible under the relevant provisions of the Act in that behalf. The Directors may from time to time alter or vary the form of such transfer but so as to comply with the provisions of the Act in that behalf.

Form of Transfer.

49. Subject to the provisions of Section 111 of the Act, the Directors may, at any time, in their absolute and uncontrolled discretion and without assigning any reason, decline to register any transfer of shares or transmission by operation of law of the right to any shares, whether the transferee or transmittee is a member of the Company or not. Provided that registration of any transfer shall not be refused on the ground of the transferor being alone or jointly with any other person or persons is indebted to the Company on any account whatsoever.

Directors may decline to register transfer.

50. 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 the intimation of transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or of any statutory modification thereof, for the time being, shall apply.

Notice of refusal to transferor and transferee.

51. No transfer shall be made to an infant, insolvent or person of unsound mind.

No transfer to infant, etc.

52. All instruments of transfer which shall be registered shall be retained by the Company, until destroyed by order of the Board of Directors but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

When transfers to be retained.

53. There shall not be paid to the Company any sum in respect of registration of transfer or transmission of any of the shares unless otherwise determined by the Directors.

Fee on transfer.

Provided that the sum so payable to the Company, if determined by the Directors, shall not exceed Twenty Five Paise per share at any one time.

When transfer books and register may be closed.

54. The Company may on giving seven days previous notice by advertisement in some newspaper circulating in the district in which the Registered office of the Company is situate close the transfer books and Register of Members or Register of Debentures for any time or times not exceeding in the whole, forty-five days in each year but not exceeding thirty days at a time.

Title to shares of deceased member

55. The executor or administrator of a deceased shareholder or holder of a succession certificate or other legal representation in respect of shares of a deceased shareholder (whether European, Hindu, Mahomedan, Parsi, or otherwise, but not being one of two or more joint holders) shall be the only person recognised by the Company as having any title to the shares registered in the name of such deceased shareholder. The Company shall not be bound to recognise such executor or administrator or holder unless he shall have first obtained probate or letters of administration or a succession certificate or other legal representation, as the case may be, from a duly constituted competent Court in India or from any Court or authority authorised by any Act of Parliament or of the State Legislature or by any order or Notification of the Central or State Government to grant such probate or letters of administration or succession certificate or other legal representation; Provided Nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of probate or letters of administration, succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit and the Directors may under Article 56 register as a member the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member.

Transmission Article.

56. Subject to the provisions of the Act and these Articles, any person becoming entitled to shares 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, 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 think sufficient, and upon giving such indemnity as the Directors may require, may, with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may subject to the regulations as to transfers hereinbefore contained, transfer such shares. This clause is hereinafter referred to as "the Transmission Clause".

A transfer of the share or other interest in the Company of deceased member made by his 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 execution of the instrument of transfer.

This Article shall not prejudice the provisions of Article 49.

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

57. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares, made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book 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 it 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.

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

Register of Transfer.

INCREASE AND REDUCTION OF CAPITAL

59. The Company in general meeting may, from time to time, increase its share capital by the creation of new shares of such amount as may be deemed expedient.

Power to increase capital.

60. 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 the general meeting resolving upon the creation thereof or any subsequent general meeting, before the issue thereof, shall direct, and if no such direction is 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 the assets of the Company, or otherwise and with special or without any right of voting and subject to the provisions of Section 80 of the Act, any Preference Shares may be issued on the terms that they are or, at the option of the Company are to be liable to be redeemed.

On what conditions new shares may be issued.

When capital is increased under this Article, the Directors shall comply with the provisions of Section 97 of the Act.

61. Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, 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 by Notice in accordance in all respects with the provisions of Section 81 of the Act and the Directors may on any such issue of shares, offer the same in accordance with this Article without giving to the shareholders a right to renounce the same.

Offer to Existing Shareholders.

Subject to the provisions of Sub-section (1A) of Section 81 of the Act the further shares aforesaid, may notwithstanding anything contained in this Article or in the Act be offered to any persons (whether or not those persons include the persons referred to in this Article, or in Clause (a) of Sub-section (1) of Section 81 of the Act) and in any manner whatsoever.

62. In addition to and without derogating from the power for that purpose conferred on the Directors under Article 8, the Company in general meeting may subject to the provisions of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered in the first instance to such persons (whether members or holders of debentures of the Company or not) in such proportion to the amount of the Capital, if any, held by them, and on such terms and conditions and (subject to compliance with the provisions of Sections 78 and 79 of the Act)

Power of general meeting to offer shares to persons as it may resolve.

either at a premium or at par or at a discount, as such general meeting shall determine, or make any other provisions as to the issue and allotment of the further or new shares, 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 provisions of the Act), at a discount, and to make such option 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

How far new shares to rank with shares in original capital.

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

Reduction of Capital etc.

64. The Company may, (subject to the provisions of Sections 100 to 105 of the Act) from time to time, by special resolution, reduce its share capital and any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by law.

SUB-DIVISION AND CONSOLIDATION OF SHARES

Sub-division and consolidation of shares.

65. Subject to the provisions of Section 94 of the Act, the Company in general meeting may from time to time sub-divide or consolidate its shares or any of them or cancel shares, which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled, and the Directors may, subject to the provisions of the Act, or of any statutory modification thereof, for the time being in that behalf, accept surrender of shares.

Sub-division into preference and ordinary shares.

66. The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise, over, or as compared with, the others or other.

MODIFICATION OF RIGHTS

Powers to modify rights.

67. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated or dealt with or varied by the consent in writing of the holders of not less than three fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions hereinafter contained relating to general meetings shall, *mutatis mutandis*, apply to every such meeting, but so that the quorum thereof shall be members holding, or representing by proxy one-fifth of the nominal amount of the issued shares of that class. This clause is not to derogate from any power which the Company would have had if this clause were omitted. The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of issue of

shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* therewith.

BORROWING POWERS

68. Subject to the provisions of Sections 292 and 293 of the Act, the Board of Directors may, from time to time, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Directors power to borrow.

69. The Directors may, by a resolution, passed at meeting of the Board (and not by circular resolution), raise or borrow any sum or sums 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, in particular, by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company or any mortgage, charge or other security upon all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being.

Conditions for borrowing.

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.

70. 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.

Securities may be assignable free from equities.

71. Any debentures, debenture stock, bonds or other securities may subject to the provisions of the Act, be issued at a discount, premium or otherwise, and with any special privilege as to redemption, surrender, drawings, allotment of shares, appointment of Directors, and otherwise. The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of any particular classes of business. The Company shall have power to re-issue redeemed debentures in accordance with Section 121 of the Act. Any debentures or debenture stock issued by the Company shall be subject to the provisions of Sections 117 to 123 of the Act.

Issue at discount, etc. and with special privileges.

Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting.

72. The Board of Directors shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board of Directors.

Register of mortgages, debentures and charges.

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

Indemnity may be given

GENERAL MEETINGS

Statutory Meeting. 74. The Statutory meeting of the Company shall as required by Section 165 of the Act be held within a period of not less than one month nor more than six months from the date on which the Company shall be entitled to commence business, and at such place as the Directors may determine, and the Directors shall comply with the other requirements of the Act as to the Report to be submitted and otherwise.

Annual or Ordinary General Meeting. 75. The Company shall, in each year hold in addition to any other meetings, a general meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

Provided that the Company may hold its first Annual General Meeting within a period of not more than eighteen months from the date of its incorporation; and if such General Meeting is held within that period, it shall not be necessary for the Company to hold any Annual General Meeting in the year of its incorporation or in the following year.

Time and place for Annual General Meeting. 76. Every Annual General Meeting shall be called at such time during business hours and on a 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 such other place in the city, town or village in which the Registered Office of the Company may, for the time being, be situated.

Ordinary and Extraordinary meeting. 77. All general meetings other than the Annual General Meetings shall be called Extraordinary General Meetings.

Who may call Extraordinary General Meeting. 78. The Board, may, whenever it thinks fit, call an Extraordinary General Meeting.

Extraordinary General Meeting on requisition of members. 79. The Board of Directors of the Company shall, on the requisition of such number of members of the Company as is specified in sub section (4) of Section 169 of the Act, forthwith proceed duly to call an Extraordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of Section 169 of the Act shall apply.

Notice of Meeting. 80. A general meeting of the Company may be called by giving not less than 21 days' notice in writing. However, a general meeting may be called after giving a shorter notice than 21 days, if 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 percent 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 others, those members shall be taken into account for the purpose of this Article in respect of the former resolution or resolutions but not in respect of the latter.

81. 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. No general meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it was convened.

Contents of the Notice.

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

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; and
- (iv) the appointment and the fixing of remuneration of the Auditors.

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

- (b) Where any items of business to be transacted at the meeting are deemed to be special, as aforesaid, there shall be annexed to the notice of the meeting an explanatory 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-Managing Agents-Secretaries and Treasurers and the Manager of the Company.

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

- (c) Where any item of business to be transacted at any general meeting of the Company consists of the according of approval of the meeting to any document, the time when and the place where the document can be inspected shall be specified in the explanatory statement.

83. Notice of every meeting shall be given to every member of the Company in any manner authorised by the Articles and by sub-sections (1) to (4) of Section 53 of the Act. It shall be given also to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the addresses, 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.

Notice to every members.

Notice to the
Auditors.

84. 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 of the Act.

Accidental omission
to give notice.

85. 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.

Resolutions requiring
special notice.

86. Where by any provisions contained in the Act, or in these Articles, special notice is required for any resolution, notice in respect of the same shall be given to the Company and by the Company so provided in Section 190 of the Act.

PROCEEDINGS AT GENERAL MEETINGS

Quorum.

87. Five members personally present shall be a quorum for a general meeting. No business shall be transacted at any general meeting unless the quorum requisite shall be present.

Chairman of general
meeting

88. The Chairman of the Board of Directors shall be entitled to take the Chair at every general meeting, or, if there be no such Chairman, or, if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the Directors present may choose one of their number to be the Chairman and, in default of their doing so, the members personally present shall choose a Director as Chairman and if no Director be present, or if all the Directors present decline to take the Chair, then the members personally present shall choose one of their number to be the Chairman thereof on a show of hands. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of these Articles, the Chairman elected on a show of hands exercising all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of the poll, he shall be Chairman for the rest of the meeting. No business shall be discussed at any general meeting except the election of a Chairman whilst the Chair is vacant.

Absence of quorum
results of

89. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall stand dissolved, but in any other case, it 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 Board may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, those members who are personally present shall constitute a quorum and may transact the business for which the meeting was called.

How questions decided
at meeting.

90. Every question submitted to a general meeting and every Resolution put to the vote of a general meeting shall, unless a poll is demanded as hereinafter provided, be, in the first instance, decided on a show of hands.

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

91. A declaration by the Chairman in pursuance of the foregoing Article 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.

Demand for poll.

92. (1) Before or on the declaration of the result of the voting on any question or 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 the persons or person specified below, that is to say :—

- (a) by at least five members having the right to vote on the Resolution and present in person or by proxy, or
 - (b) by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the Resolution, or
 - (c) by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the Resolution, being share on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all the shares conferring that right.
- (2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

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

94. The Chairman of a general meeting may, with the consent of the meeting, adjourn the same, from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Power to adjourn general meeting.

95. 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 take place or at which the poll is demanded shall be entitled to a second or casting vote in addition to his own vote or votes to which he may be entitled as a member.

Motion who decided on an equality of votes.

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

Business may proceed notwithstanding demand of poll.

97. 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.

Right of member to use his votes differently.

98. (1) 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.
- (2) 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 scrutineer arising from such removal or from any other cause.

Scrutineers at poll

- (3) 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.

Chairman's decision conclusive.

99. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Resolution passed at adjourned meeting.

100. Where a resolution is passed at an adjourned meeting of :—

- (a) the Company; or
- (b) the holders of any class of shares in the Company; or
- (c) the Board of Directors;

the resolution shall, for all purposes be treated as having been passed on the date on which it was, in fact, passed and shall not be deemed to have been passed on any earlier date.

Registration of certain Resolution and agreement.

101. A Copy of each of the following Resolutions together with copies of the statement of material facts annexed under Section 173 to the notices of the respective meetings in which such resolutions have been passed or Agreements to which Section 192 applies shall, within thirty days after the passing or making thereof, be printed or type-written and duly certified under the signature of an Officer of the Company and filed with the Registrar, and a copy of every such agreement for the time being in force shall be embodied in or annexed to every copy of the Articles issued after the passing of such resolution or the making of such agreement; viz.

- (a) Special Resolutions ;
- (b) Resolutions 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 variation of the terms of appointment of a Managing Director ;
- (d) Agreement relating to the appointment, re-appointment or the renewal of the appointment of a Managing Agent or Secretaries and Treasurers for the Company, or varying the terms of any such Agreement executed by the Company ;
- (e) Resolutions or Agreements agreed to by all the members of any class of share-holders but which, if not so agreed to, would not have been effective for its purpose unless it 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 ; and
- (f) Resolution passed by the Company.
 - (i) according consent to the exercise by the Board of Directors of any of the powers under clause (a) clause (d) and clause (e) of Sub-section (1) of Section 293;

(ii) approving the appointment of the selling agents under Section 294; and

(g) Resolution for voluntary winding up of the Company passed in pursuance of Sub-section (1) of Section 484 of the Act.

102. The Company shall cause Minutes of all proceedings of every general meeting to be kept by making within thirty days of the conclusion of every meeting, entries thereof in books kept for that purpose with their pages consequently numbered, and shall include the matters specified in Section 193 of the Act. 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 matters required by Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.

Minutes of general meeting.

103. Inspection of the books containing the aforesaid minutes shall be kept and be open to the inspection of any member without charge as provided in Section 196 of the Act and he shall be furnished with a copy of any minutes in accordance with the terms of that section.

Inspection of Minute Books of General Meetings.

VOTES OF MEMBERS

104. The voting rights of the members shall be as follows :

Voting Rights.

(a) Subject to the provisions of the Act upon a show of hands, every member of the Company entitled to vote and present in person shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have one vote for every share held by him. Provided that, the holders of Preference Shares if any shall have no right to be present or to vote either in person or by proxy at any general meeting by virtue or in respect of their holding of Preference Shares save to the extent and in manner provided by Section 87 (2) of the Act.

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

(b) Where the Company accepts from any member the whole or a part of the amount remaining unpaid on any shares (whether equity or preference shares) held by him, although no part of the amount has been called up, the member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.

105. A body corporate (whether a company within the meaning of the Act or not), if it is a member or creditor of the Company including the holder of debentures may authorise such person by a resolution of its Board of Directors or other governing body as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company as provided in Section 187 of the Act.

Representation of Corporations at meetings of Company and of Creditors.

106. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a

How members non-compressmentis and minor may vote.

show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy; if any Member be a minor, the vote in respect of his share shall be by his guardian, or any one of his guardians, if more than one, to be elected in case of dispute by the Chairman of the meeting.

Vote in respect of shares of deceased and bankrupt members

107. Subject to the provisions of the Act and of these Articles, any person entitled under the transmission clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors or any person authorised by the Directors in that behalf of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Joint Holders.

108. Where there are joint registered holders of any share, any one of such persons may vote at any meeting either personally 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, that one of the said persons so present whose name stands first or higher on the Register in respect of such share shall alone be entitled to vote or speak in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall, for the purpose of this Article, be deemed joint holders thereof.

Proxies permitted.

109. Subject to the provisions of these presents, votes may be given either personally or by proxy or by an agent duly authorised under a Power of Attorney or, in the case of a company or other corporation, by a representative duly authorised as aforesaid.

Instrument appointing proxy to be in writing.

110. The instrument appointing a proxy shall be in writing, under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, under its common seal or the hand of an officer or an attorney duly authorised by it. A person may be appointed a proxy though he is not a member of the Company. A proxy appointed, as aforesaid, shall not have any right to speak at any meeting.

Notice to state that members entitled to attend is entitled to appoint a proxy.

111. Every notice convening a meeting of the Company shall state with reasonable prominence that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a member of the Company.

Instrument appointing proxy to be deposited at office

112. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered 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.

When vote by proxy valid though authority revoked.

113. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of the principal, or revocation of the proxy, or any power or authority under which such proxy is signed, or notwithstanding transfer of the share in respect of which the vote is given. Provided that no intimation in writing of the death, revocation, or transfer shall have been received at the office or by the Chairman of the meeting before the vote is given.

If any instrument of appointment be confined to the object of appointing a proxy or substitute for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; and if embracing other objects a copy thereof examined with the original shall be delivered to the Company to remain in its custody.

114. An instrument appointing a proxy whether for a specified meeting or otherwise shall be in any of the forms set out in Schedule IX of the Act, or, as nearly as circumstances will admit in the following form or in any other form which the Directors shall approve.

Form of Proxy.

ROLCON ENGINEERING COMPANY LIMITED

I, _____ of _____ being a member of Rolcon Engineering Company Limited do hereby appoint _____ of _____ or (failing him) _____ of _____ as my proxy to attend and vote for me and on my behalf at the Annual/Extraordinary General Meeting of the Company to be held on the _____ day of _____ and at any adjournment thereof.

As witness my hand this _____ day of _____ signed by the said _____ in the presence of _____

115. Every member entitled to vote at a meeting of the Company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four 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 inspect is given to the Company.

Time and place to inspect the proxies lodged.

116. No member shall be entitled to be present, or to vote on any resolution either personally or by proxy, or as proxy for another member, at any general meeting, or upon a poll, or be reckoned in a quorum, whilst any call or other sum presently payable by him in respect of any of the shares of such member shall not have been paid to the Company, or in regard to any shares on which the Company, has and has exercised any right of lien.

No member entitled to vote etc. whilst any call due to Company.

117. 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 an agent or representative, or by proxy not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.

Time for objections of vote.

Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

DIRECTORS

118. The number of Directors shall not be less than three nor more than twelve excluding any Debenture Directors.

Number of Directors

The first Directors shall be :

Shri Shantilal Ishwarbhai Patel	S. P. Amin
Shri Chandrakant Himabhai Amin	
Shri Bhanubhai Ishwarbhai Patel	

119. The remuneration of the Directors shall in so far as it consists of a monthly payment, be deemed to accrue from day to day. In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them :

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
- (b) in connection with the business of the Company.

Special Directors.

120. The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. Such nominees and their successors in office appointed under this Article shall be called "Special Directors" of the Company.

Term of office of Special Directors.

121. The Special Directors appointed under the last preceding Article shall be entitled to hold office until removed or requested to retire by the person, firm or corporation who may have nominated them and will not be subject to retirement of directors by rotation and shall not be required to hold any qualification shares. As and when a Special Director vacates office, whether upon removal or request, as aforesaid, or by death, resignation or otherwise, the person, firm or corporation who nominated such Special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

Debenture Director.

122. Any trust deed securing and covering the issue of debentures of the Company may, if so arranged, provide for appointment by the Trustees thereof or by the holders of debentures, of a Director (in these presents referred to as 'the Debenture Director') for and on behalf of the debenture holders for such period and in such manner as is therein provided, not exceeding the period for which the debentures or any of them shall remain outstanding, and for the removal from office of such Debenture Director and on a vacancy being caused whether by resignation, death, removal or otherwise, for appointment of a Debenture Director in the vacancy caused thereby. The Debenture Director shall not be liable to retire by rotation or be removed from office by the Company. The Debenture Director shall not be bound to hold any qualification shares. The trust deed may contain such ancillary provisions as may be agreed to between the Company and the Trustees and such provisions shall have effect notwithstanding the other provisions of the Articles.

Appointment of Alternate Director.

123. Subject to the provisions of Section 261, 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 in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State in which meetings of the Board are ordinarily held. Any provision for the automatic re-appointment of retiring Directors shall apply to the Original Director and not to the Alternate Director. Such Alternate Director shall not be required to hold any qualification shares so long as the Original Director holds the necessary qualification shares prescribed by the Articles.

124 Subject to the provisions of Sections 260, 261, 262 and 284 (6) of the Act, the Board of Directors shall have power at any time, and from time to time to appoint any person to be a Director, either as an addition to the Board or to fill a casual vacancy.

Directors may fill up vacancies and add to their number.

125. (a) The qualification of a Director (other than a Debenture Director, Special Director, Ex-officio Director, Alternate Director or a Director not liable to retire by rotation) shall be the holding of Equity Shares in the Company of the aggregate nominal value of Rupees 5,000. A Director may act before acquiring his qualification shares, but shall acquire the same within two months after his appointment as Director.

Qualification of Directors.

(b) Every Director not being a Technical Director or a Director appointed by the Central or a State Government, shall within two months after his appointment, file with the Registrar a declaration specifying the qualification shares held by him. A first Director may act before acquiring his qualification, but shall in any case acquire the same within two months from his appointment and unless he shall do so, he shall be deemed to have agreed to take the said shares from the Company, and the same shall be forthwith allotted to him accordingly.

126. The remuneration of a Director, for his services for each meeting of the Board or Committee of the Board attended by him shall be such sum as may be fixed by the Directors from time to time not exceeding Rs. 250/-, and subject to the provisions of Sections 198 and 309 of the Act, such reasonable additional remuneration as may be fixed by the Board may be paid to any one or more of their number for services rendered by him or them in signing the share certificates in respect of the Company's Share Capital or any Debentures issued by the Company. The Directors shall subject as aforesaid be paid such further remuneration (if any) as the Company in general meeting shall, from time to time determine; and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine and, in default of such determination, within the year, shall be divided among the Directors equally.

Remuneration of Directors.

127. If any Director being willing, shall be called upon to perform extra services or make any special exertion or efforts for any of the purposes of the Company (which expression shall include work done by a Director as a member of any Committee formed by the Directors) the Board may subject to the provisions of Sections 198 and 309 of the Act, arrange with such Director for such special remuneration for such extra services or special exertions or efforts, either by a fixed sum or by a percentage of profits or otherwise, as may be determined by the Board, and such remuneration may be either in addition to, or in substitution of, his remuneration above provided in Article No. 126.

Special remuneration of Director performing extra service.

128. The Board of Directors may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are held and who shall come to that place for the purpose of attending a meeting, such sum as the Board may consider fair compensation for his travelling, boarding, lodging and other expenses incurred in consequence of his attendance, in addition to his fee for attending such meeting as is specified in Article 126, and if any Director shall go or reside out of his usual place of residence for the Company's business, he shall be entitled to be paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

Travelling expenses incurred by Director not a bonafide resident of the place where meetings are held.

Directors may act notwithstanding vacancy.

129. The continuing Directors may act notwithstanding any vacancy in their body, but so that if and so long as their number falls below the minimum number above fixed, the continuing Directors shall not, except in emergencies or for the purpose of increasing the number of Directors to that number or filling up vacancies, or of summoning a general meeting of the Company, act so long as the number is below the minimum and they may so act notwithstanding the absence of a necessary quorum.

When office of Directors to be vacated.

130 (1). Subject to the provisions of Section 283 (2) of the Act, the office of a Director shall become vacant if :

- (a) he fails to obtain within the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any, required of him by these Articles;
- (b) he is found to be of unsound mind by a Court of competent jurisdiction ;
- (c) he applies to be adjudicated an insolvent ;
- (d) he is adjudged an insolvent ;
- (e) he fails to pay any call 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 call ; unless the Central Government has by notification in the official Gazette removed the disqualification incurred by such failure ;
- (f) he absents himself from three consecutive meetings of the Board of Directors or for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board of Directors ;
- (g) he becomes disqualified by an Order of Court under Section 203 of the Act ;
- (h) he is removed in pursuance of Section 284 of the Act ; or
- (i) he (whether by himself or by any person for his benefit or on his account), or any firm in which he is a partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act ;
- (j) he acts in contravention of Section 299 of the Act ;
- (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; or
- (l) having been appointed a Director by virtue of holding any office or other employment in the Company, or as a nominee of the managing agent of the Company, he ceases to hold such office or other employment in the Company, or, as the case may be, the managing agency comes to an end;
- (m) any office or place of profit under the Company or any subsidiary thereof is held in contravention of Section 314(1) of the Act, and the Director shall have been deemed to have vacated the office in terms of the said Section.

(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.

131. A Director of the Company or his relative, a firm in which such Director or relative is a partner, any other partner in such firm or a Private Company of which the Director is a Member or Director may subject to the provisions of Section 297 of the Act and with the consent of the Board of Directors of the Company enter into any contract with the Company :—

Director may contract with Company.

- (i) for the sale, purchase and supply of any goods, materials or services; or
- (ii) for underwriting the subscription of any shares in or debentures of the Company.

Every consent of the Board required under this Article shall be accorded by a Resolution passed at a meeting of the Board and not otherwise; and subject to the provisions of Section 297 of the Act such consent shall be accorded before the contract is entered into or within three months of the date on which it was entered into.

132. Every Director who is in any way whether directly or indirectly, concerned or interested in a contract or arrangement, or a proposed contract or arrangement entered into, or to be entered into, by or on behalf of the Company, shall comply with the provision of Section 299 of the Act and, disclose the nature of his concern or interest at a meeting of the Board of Directors. In the case of a proposed contract or arrangement, the disclosure required to be made by the Director, as aforesaid, shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested. 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.

Disclosure of interest.

This Article shall not apply to any contract or arrangement between this Company and any other company where any of the Directors of this 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.

133. For the purposes of the foregoing Article 132 hereof, a general notice given to the Board of Directors by a Director to the effect that he is a Director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be removed 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. No such general notice, and no renewal thereof, shall be of effect, unless, either it is given at a meeting of the Board of Directors, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Notice of Disclosure of interest.

Interested Director
not to Participate
Board's Proceedings.

134. Subject to the provisions of Section 300 of the Act, no Director shall, as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided that the Directors or any of them, may vote on any contract of indemnity against loss which the Directors or any one or more of their number may suffer by reason or becoming or being sureties or a surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into, or to be entered into with a public company, or a private company which is a subsidiary of a public company in which the interest of the Director aforesaid consists solely (a) in his being a Director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director of such company; or (b) in his being a member holding not more than two percent of its paid up share capital.

Register of contracts
in which directors
are interested.

135. The Company shall keep one or more registers in accordance with Section 301 of the Act and shall enter therein separately particulars of all contracts or arrangements to which Section 297 or Section 299 applies as required by Section 301. The Register shall be kept at the Registered Office of the Company and shall be open to inspection at such office by members of the Company to the extent and subject to the conditions imposed by Section 301.

Directors may be
Directors of Com-
panies promoted by
the Company.

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

Disclosure to mem-
bers in case of con-
tract appointing a
Manager or Agent.

137. Whenever the Company enters into a contract for the appointment of a Manager or Managing Director or Managing Agent of the Company in which contract any Director of the Company is, directly or indirectly, concerned or interested, or varies any such existing contract, the Company (in accordance with Section 302 of the Act) shall within 21 days from the date of entering into the contract or the varying of such contract send an abstract of the terms of such contract or variation, as the case may be, together with a memorandum clearly indicating the nature of the interest of the Director in such contract or in such variation, to every member of the Company, and the contract shall be open to the inspection of any member at the office, and in this connection all the other provisions of Section 302 of the Act shall be duly complied with.

ROTATION OF DIRECTORS

Rotation and retire-
ment of Directors.

138. At the first Annual General Meeting of the Company and at every subsequent Annual General Meeting, one-third of such of the Directors, for the time being, as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. The retiring Director shall retain his office until conclusion of the meeting at which his successor is elected.

Ascertainment of
Directors retiring
by rotation and
filling of vacancies.

139. The Directors to retire by rotation under Article 138. 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 amongst themselves, be determined by lot.

140. A retiring Director shall be eligible for re-appointment. Eligibility for re-election.
141. Subject to the provisions of the Act, the Company at the Annual General Meeting at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto. Company to appoint successors.
142. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or, if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless :—
- (i) at that meeting or at the previous meeting a Resolution for the reappointment of such Directors has been put to the meeting and lost ;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act; or
- (v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the same.
143. 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 given against it, and the provisions of Section 263 of the Act in this behalf shall apply in all respects. Single Resolution for the appointment of several directors prohibited.
144. Subject to Sections 252, 255 and 259 of the Act, the Company in general meeting may by Ordinary Resolution, from time to time, increase or reduce the number of its Directors within the limits fixed by the Articles. Company may increase or reduce the number of Directors.
145. The Company may, subject to the provisions of Section 284 of the Act, remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed. Removal of Directors
146. (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 a Director at any general meeting, if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candi- Notice of candidature of office of Director.

dature 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. The Company shall duly comply with the provisions of Section 257 of the Act for informing its members of the candidature of the Director concerned.

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

(3) A person other than –

- (a) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or,
- (b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of his term of office, or
- (c) a person named as a Director of the Company under its Articles as first registered,

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.

Individual Resolution
of Directors' appoint-
ment.

147. 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 been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved; provided that where a resolution so moved is passed, no provision for the automatic re-appointment of Directors retiring by rotation, by virtue of these Articles or the Act, in default of another appointment, shall apply.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meetings of
Directors.

148. The Directors may meet together as a Board for the despatch of business, from time to time, but shall hold a meeting at least once in every three months and at least four such meetings shall be held in every year. They may adjourn and otherwise regulate their meetings and proceedings as they may think fit.

When meetings to
be convened

149. A Director may at any time, and the Managing Agents, upon the request of a Director, shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India, and at his usual address in India to every other Director.

Quorum.

150. The quorum for a meeting of the Board of Directors shall be one-third of its total strength as determined in accordance with the provisions of Section 287 of the Act, (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 Director, that is to say, the number of Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time.

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. The Directors may, from time to time, elect one of their number to be Chairman of the Board of Directors and determine the period for which he is to hold office but if no such Chairman is elected, or if at any meeting of the Board of Directors, the Chairman is not present within five minutes of the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

Chairman.

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

Questions at Board Meetings how decided.

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

Power of Board Meeting.

155. Subject to the restrictions contained in Section 292 of the Act, the Board of Directors may delegate any of their powers to Committees of the Board consisting of such member or members of its body as it thinks fit, and it may, from time to time, revoke and discharge any such Committee of the Board, either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and fulfilment of the purposes of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.

Directors may appoint Committees and to delegate.

156. The meetings and proceedings of any such committee of the Board 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.

Meetings of Committees to be governed.

157. No Resolution shall be deemed to have been duly passed by the Board or by a Committee thereof, by circulation, unless 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 or Committee, as the case may be), and to all other Directors, or members of the Committee at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India, or by a majority of such of them as are entitled to vote on the Resolution.

Resolution by circular.

158. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that the appointment of the Board, Committee or such person was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the Act or in the Articles be as valid as if every such person had been duly appointed, and was qualified to be a Director, or as if his appointment had not been terminated. Provided that

Acts of Board to Committees valid notwithstanding informal appointment.

nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of proceedings of Directors and Committees to be kept.

159. The Company shall cause minutes of all proceedings of every meeting of the Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purposes with their pages consecutively numbered and shall contain :—

- (i) the names of the Directors present at such meetings of the Board of Directors, and of any committee of the Board ;
- (ii) all appointments of officers and committees of Directors ;
- (iii) of all resolutions and proceedings of meetings of the Board of Directors and Committees of the Board; and
- (iv) in the case of each resolution passed at a meeting of the Board of Directors, or committees of the Board the names of Directors, if any, dissenting from, or not concurring in the Resolution. Any such minutes of any meeting of the Board of Directors or of any Committee of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be received as evidence of the proceedings.

Disclosure by Director of holding of shares and Debentures of the Company, etc.

160. (a) Every Director (which term shall include a person deemed to be a Director by virtue of the Explanation to Sub-section (1) of Section 303 of the Act), Managing Director, Managing Agent, Secretaries and Treasurers, Manager, or Secretary of the Company shall, within 30 days of his appointment to or relinquishment of, any of the above offices 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 Sub-section (1) of Section 303 of the Act.
- (b) Every Director and every person deemed to be a Director of the Company by virtue of Sub-section (10) of Section 307 of the Act, the Managing Agents, Secretaries and Treasurers and the Manager of the Company shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of the said Section 307 of the Act.

Registers, Books and Documents to be maintained by the Company.

161. The Company shall maintain the following Registers, namely:
- (a) Register of Investment according to Section 49 of the Act.
 - (b) Register of Mortgages and Charges according to Section 143 of the Act.
 - (c) Register of Members according to Section 150 of the Act.
 - (d) Register or Index of Debenture-holders according to Section 152 of the Act.
 - (e) Registers of Contracts, Companies and firms in which Directors are interested according to Section 301 of the Act.

- (f) Register of Directors, Managing Agents, Secretaries and Treasurers, and Managers according to Section 303 of the Act.
- (g) Register of Directors' Shareholdings according to Section 307 of the Act.
- (h) Register of appointment of Managing Agents or their Associate appointed as selling agent or buying agent of the Company, according to Sections 356 and 358 of the Act.
- (i) Register of particulars of every contract under Section 359 with regard to Managing Agents or their Associates acting as selling or buying agent of other concerns.
- (j) Register of particulars of all contracts with Managing Agents or their Associates for the sale or purchase of goods or supply of services etc., according to Section 360 of the Act.
- (k) Register of investments of shares or debentures of bodies corporate in the same group according to Section 372 of the Act.
- (l) Index of Members, according to Section 151 of the Act.

The said Registers, 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, consistently with the provisions of the Act in that behalf be determined by the Company in general meeting.

Inspection of Registers etc.

POWERS OF DIRECTORS

162. Subject to the provisions of the Act, the management and control of the business of the Company shall be vested in the Directors who may pay all expenses incurred in getting up and registering the Company and may exercise all such powers of the Company and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and as are not by the Act, or by any other Act or by the Memorandum or by these Articles, or otherwise directed or required to be exercised or done by the Company in general meeting, subject nevertheless to any regulation of these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the Memorandum of Association and the Articles or to the Act, as may from time to time be prescribed or made by the Company in general meetings but 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. Provided that :

Powers of Directors.

- (1) the Board of Directors shall not, except with the consent of the Company in general meeting,
 - (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, 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, of any such undertaking as is referred to in Clause

(a) above or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;

(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company, (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; or

(e) contribute, to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding, whichever is greater.

(2) The powers specified in Section 292 of the Act, shall be exercised only at meetings of the Board and the same may be delegated only to the extent and in manner therein stated.

(3) The Directors shall in the exercise of their powers have regard to and observe the restrictions and provisions contained in Sections 292, 293, 294, 295, 297, 299, 300, 356 to 360 (inclusive), 366, 370 and 372 in regard to matters therein mentioned and so far as the same may be applicable.

Certain powers of the Board.

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

To pay commission and interest.

(1) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 of the Act.

(2) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

Purchase Property etc.

(3) (a) to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.

(b) to acquire by purchase, lease or in exchange or otherwise lands, buildings, hereditaments, machinery, rights, privileges or properties movable and immovable.

Erect buildings etc.

(c) to erect, construct, enlarge, improve, alter, maintain, pull down, rebuild or reconstruct any buildings, factories, offices,

workshops or other structures necessary or convenient for the purpose of the Company and to acquire lands for the purpose of the Company.

- (d) to let, mortgage, charge, sell or otherwise dispose of, subject to the provisions of Section 293 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise. To let etc.
- (4) At their discretion and subject to the provisions of the Act, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. To pay for property in shares etc.
- (5) To secure the fulfilment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital, for the time being, or in such manner as they may think fit. To secure contracts by mortgage etc.
- (6) To accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed. To accept surrender of shares.
- (7) 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 deed and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. To appoint Trustees.
- (8) 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, and of any claims or demands by or against the Company or any differences to arbitration, and to observe and perform any awards made thereon. To bring and defend etc.
- (9) To act on behalf of the Company in all matters relating to bankrupts and insolvents. To act in bankruptcy etc.
- (10) To make and give receipts, release and other discharge for moneys payable or properties deliverable to the Company and for the claims and demands of the Company. To give receipt.
- (11) Subject to the provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof, upon such securities or investments (not being shares of this Company), and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. To invest moneys.

To give security by way of indemnity.

- (12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability, whether as principal or surety for the benefit of the Company, such 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, provisions, covenants and agreements as shall be agreed upon.

To authorise acceptances etc.

- (13) 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 necessary authority for such purposes.

To give bonus or commission.

- (14) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give any officer or other person employed by the Company a Commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.

To provide for welfare of Directors employees, etc. and to subscribe to charity etc.

- (15) (a) To provide for the welfare of the Directors or ex-Directors or the employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls, or by grants of money, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board of Directors shall think fit.

(b) To subscribe or to contribute to or otherwise to assist or to guarantee money to public charitable, benevolent, religious scientific, political national or other purposes, funds, institutions or objects and to any other institutions, purposes, funds or objects whatsoever which in the sole opinion of the Board of Directors it is in the interests of the Company or its business so to do or is otherwise beneficial to the Company whether directly relating to the business of the Company or not.

To establish and preserve fund.

- (16) Before recommending any dividend, to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Funds, or to an Insurance Fund, or as a Reserve Fund, or Sinking Fund or any other special fund to meet contingencies or to repay redeemable preference shares debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending, and maintaining any of the properties of the Company, or for such other purposes (including the purposes referred to in the preceding clause), as the Board of Directors may in their absolute discretion, think conducive to the interests of the Company, and subject to Section 292 and other provisions of the Act invest the several sums so set aside or so much thereof as require to be invested, upon such investments (other than shares of the Company) as they may think fit; and, from time to time, to deal with and vary such investments and dispose of and apply and expend all, or any part thereof, for the benefit of the Company, in such manner

and for such purposes as the Board of Directors, in their absolute discretion, think conducive to the interest of the Company, notwithstanding that the matters to which the Board of Directors apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended ; and to divide the Reserve Fund into such special funds as the Board of Directors may think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment or redemption of redeemable preference share, debentures or debenture stock and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Board of Directors, at their discretion, to pay or allow to the credit of such funds interest at such rate as the Board of Directors may think proper, not exceeding nine per cent per annum.

- (17) From time to time, to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants May make bye-laws.
- (18) To appoint, and at their discretion to remove or suspend such managers, secretaries, officers, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may, from time to time, think fit, and to determine their powers and duties, and fix their salaries, emoluments or remuneration and to require security in such instances and to such amount 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 or elsewhere in such manner as they think fit; and the provisions contained in the three next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause. To appoint servants.
- (19) 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. Local Laws.
- (20) From time to time and at any time, to establish any Local Boards for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint subject to such terms and conditions as the Directors may think fit, any persons to be members of such Local Boards or any managers or agents and to fix their remuneration Local Board.
- (21) Subject to Section 292 and the other provisions of the Act, from time to time, and at any time to delegate to any person so appointed under the last preceding clause, any of the powers, authorities and discretions for the time being vested in the Board of Directors other than their power to make calls or to issue debentures 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 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. Delegation.

Power of Attorney.

- (22) At any time and from time to time, by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the power to make calls or to issue debentures 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 shareholders, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board 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.

Subject to the provisions of the Act, generally and from time to time and at any time to authorise, empower or delegate to (with or without powers of sub-delegation) any officer or officers or employee of the Company all or any of the powers authorities and discretions for the time being vested in the Directors by these presents subject to such restrictions and conditions, if any, as the Directors may think proper.

May make contracts etc.

- (23) Subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose 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 DIRECTORS

164. Subject to the provisions of the Act :—

Power to appoint Managing Director.

- (1) The Directors may from time to time appoint or reappoint one or more of their body to be Managing Director or Managing Directors of the Company, for a fixed term not exceeding 5 (five) years at a time and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
- (2) subject to the provisions of the Act, a Managing Director, shall not while he continues to hold that office be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but subject to the provisions of any contract between him and the Company he shall 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 cease to hold the office of Director from any cause.

- (3) subject to the provisions of Sections 198, 309, 310 and 311 of the Act, the remuneration of a Managing Director shall (subject to the Provisions of any contract between him and the Company) from time to time be fixed by the Company in general meeting or so far as the Act may allow by the Directors, and may be by way of fixed salary or commission on dividends, profits or turnover of the Company or of any other company in which the Company is interested or by participation in any such profits, or by any or all of those modes.
- (4) subject to the provisions of the Act, the Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for 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 confer such powers, either collaterally with, or to the exclusion of and 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.

Remuneration of
Managing Director.

Powers and duties
of Managing Di-
rectors.

All the provisions of this Article shall also apply to wholtime Directors, if appointed.

THE SEAL

165. The Board of Directors shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new seal in lieu thereof, and the Board of 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 Board of Directors or a Committee of the Board and in the presence of one Director at least. The Company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

The Seal its custody
and use

Every deed or other instrument to which the Seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney, be signed by two Directors in whose presence it is affixed and shall be countersigned by the Secretary or some other person appointed by the Directors for the purpose. Provided that certificates of shares shall be sealed and signed in the manner provided for in Article 20 hereof.

Deeds how execut-
ed.

166. Save as otherwise expressly provided by the Act, a document or proceeding requiring authentication by the Company may be signed by a Director or the Managing Agents, or the Secretaries and Treasurers, or the Manager, or the Secretary or other authorised officer of the Company and need not be under its common seal.

Authentication of
documents and pro-
ceedings.

ANNUAL RETURNS

167. The Company shall make the requisite Annual Returns in accordance with Sections 159 and 161 of the Act.

Annual Returns.

DIVIDEND

168. (a) The profits of the Company, subject to any special rights relating thereto, created or authorised to be created by these presents and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. Where a dividend has been so declared the warrant in respect

Division of Profits.

thereof shall be posted within fortytwo days from the date of the declaration to the shareholder, entitled to the payment of the same.

- (b) The profits of the Company, subject to special rights if any, relating thereto created or authorised to be created by the Memorandum or these Articles, and subject to the provisions of these Articles, shall be applied first in paying the fixed cumulative preferential dividend (if any) on the capital paid up on the Preference Shares (if any) and subject thereto, in paying a dividend on the capital paid up on the Equity Shares of the Company; but so that a partly paid-up share shall only entitle the members in respect thereof to such proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such shares; Provided always that subject as aforesaid any capital paid-up on a share during the period in respect of which a dividend is declared, shall, unless the terms of issue otherwise provide, only entitle the holder of such share to an apportioned amount of such dividend proportionate to the capital from time to time paid during such period on such share, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

The Company in General Meeting may declare a Dividend.

169. The Company in general meeting may declare dividends, to be paid to members according to their respective rights and may fix the time for payment provided that no dividend shall exceed the amount recommended by the Board of Directors, but the Company in general may declare a smaller dividend.

No dividend except out of profits.

170. No dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of undistributed profits for any previous financial year arrived at after providing for such depreciation in accordance with the provisions of Section 205 or out of undistributed profits for any previous financial year or years arrived at after providing for such depreciation as aforesaid under Section 205 of the Act or out of both or out of moneys provided by the Central Government or a State Government for the payment of Dividend in pursuance of a guarantee given by that Government.

No dividend shall carry interest as against the Company.

The declaration of the Board of Directors as to the amount of the net profit of the Company shall be conclusive. Articles 177 and 178 shall apply in regard to the payment thereof.

Interim Dividend.

171. The Board of Directors may, from time to time, pay to the members such interim dividend as in their judgement the position of the Company justifies. The provisions of Articles 177 and 178 shall apply in regard to the payment thereof.

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

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

Dividends in proportion to amount paid up.

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

Nothing in this Article shall be deemed to affect in any manner the provisions of Section 208 of the Act.

174. The Board of Directors may retain the dividends payable upon shares in respect of which any person, is, under the transmission Article 56, 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 transmission Articles.

175. 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 either alone or jointly with any other person or persons; and the Board of 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.

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

Transfer of Shares must be registered.

177. (a) No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his Bankers.

Payment to registered holder.

(b) Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payment on account of dividends in respect of such share.

Dividend to joint holders.

178. Unless otherwise directed, any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Registered holder of the share or in case of joint holder to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

Dividends how remitted.

179. All dividends unclaimed for one year after having been declared may be invested or otherwise used by the Board of Directors for the benefit of the Company until claimed, and all dividends unclaimed may be forfeited by the Directors for the benefit of the Company after the claim in respect thereof becomes barred by law. Provided however, that the Directors may at any time, annul such forfeiture and pay any such dividend.

Unclaimed dividend.

180. Any general meeting, sanctioning or declaring a dividend in terms of these Articles, shall as regards payment of such dividend, wholly or in part, have regard to and shall make the payment thereof in accordance with the provisions of Section 205 of the Act.

Special provision in reference to dividends.

181. Any general meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits (including profits or surplus moneys arising from realisation of any capital assets of the Company) of the Company standing to the credit of the Reserve Fund, or any capital Redemption Reserve Fund, or any other fund of the Company, or in the hands of the Company and available for dividend or representing premiums received on the issue of shares, and standing to the credit of the Share Premium Account, be capitalised :

Capitalisation.

- (1) By the distribution among the holders of the shares of the Company, or any of them, on the footing that they become entitled thereto as Capital in accordance with the respective rights and interests and in proportion to the amounts paid, or credited as paid thereon, of paid up shares, of the Company; or,
- (2) By crediting shares of the Company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid thereon respectively with the whole or any part of the sums remaining unpaid thereon and the Directors shall give effect to such resolution and apply such portion of the profits or Reserve Fund or any other fund as may be required for the purposes of making payment in full or in part for the shares of the Company so distributed or (as the case may be) for the purpose of paying the whole or any part, of the amount remaining unpaid on the shares which may have been issued and are not fully paid up. 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 shareholders in full satisfaction of their interest in the said capitalised sum. For the purpose of giving effect to any such resolution, the Director 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 generally may make such arrangement for the acceptance, allotment and sales of such shares and fractional certificates as they may think fit and may make cash payments to any holders of shares on the footing of the value so fixed in order to adjust rights and may vest any shares for adjusting such rights as may seem expedient to the Directors. In case 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 domination of the liabilities on the partly paid shares shall be so applied pro rata in proportion to amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively. If and when deemed requisite proper contract shall be filed in accordance with the provisions of the Act and the Board may appoint any person to sign such contract on behalf of the holders of the shares of the Company which have been issued prior to such capitalisation and such appointment shall be effective.

Capitalisation.

182. A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, be distributed among the members on the footing that they receive the same as capital.

Dividend and call together.

183. 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 each member shall not exceed the dividend payable to him, and so that the call may 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.

184. The Directors may pay interest on capital raised for the construction of works or buildings or the provision of any plant which cannot be made profitable for a lengthy period, when and in so far as they shall be authorised so to do by and in accordance with Section 208 of the Act.

Interest on capital raised for.

ACCOUNTS

185. (a) The provisions of Sections 209 to 222 (inclusive) of the Act shall be complied with in so far as the same may be applicable to the Company. The Company's Directors shall cause true accounts to be kept of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place; of all sales and purchases of goods by the Company; and of the assets and liabilities of the Company AND generally of all its commercial, financial and other affairs, transactions and arrangements and of all other matters necessary for showing the true financial state and condition of the Company in such books and in such manner as the Directors may deem fit subject to the provisions of Section 209 of the Act and other Sections as applicable.

Books of Accounts to be kept.

The books of accounts shall be kept at the Registered Office of the Company or, subject to compliance with the provisions of Sub-section (1) of Section 209 of the Act, at such other place in India as the Directors think fit and shall be open to inspection by the Directors during business hours.

- (b) If the Company shall have a branch office, whether in or outside India, proper books of accounts relating to the transactions effected at that office shall be kept at that office, and proper summarised returns, made upto date 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.
- (c) All the aforesaid books shall give a true and fair view of affairs of the Company or of its branch office, as the case may be, with respect to the matters aforesaid, and explain its transactions.

186. 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 and documents of the Company or any of them shall be open to the inspection of the members not being Directors, and no member not (being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorised by the Directors or by a Resolution of the Company in general meeting.

Inspection members. by

ACCOUNTS AND BALANCE SHEETS

Balance Sheet etc. to be laid before Annual Meeting.

187. (1) At every Annual General Meeting of the Company the Board of Directors shall lay before the Company :

(a) A Balance Sheet as at the end of the period specified in the Clause 2 of this Article; and

(b) A Profit and Loss Account for that period.

(2) The Profit and Loss Account shall relate :

(a) In the case of the first Annual General Meeting of the Company, to the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than 9 months; and

(b) In the case of any subsequent Annual General Meeting of the Company to the period beginning with the day immediately after the period for which the account was last submitted and ending with a day which shall not precede the day of the meeting by more than 6 months, or in cases where the extension of time has been granted for holding the meeting under the second proviso to Sub-section (1) of Section 166 of the Act, by more than 6 months and the extension so granted.

Balance Sheet and Profit and Loss Accounts.

188. 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 Form required by the Act.

Documents to be attached to Balance Sheet etc.

189. (1) There shall be attached to every Balance Sheet laid before the Company in general meeting a report by the Board of Directors with respect to :-

(a) the State of Company's affairs,

(b) the amounts, if any, which it proposes to carry to any reserves in such balance sheet,

(c) the amount, if any, which it recommends should be paid by way of dividend,

(d) 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. The said Report of the Directors shall be in conformity with the provisions of Section 217 of the Act.

(2) The Balance Sheet and the Profit and Loss Account shall be approved and signed in manner prescribed by Section 215 of the Act. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors report shall be attached thereto.

Copies of Balance Sheet to be despatched.

(3) A copy of the Balance Sheet (including the Profit and Loss account, the Auditor's Report and every other document required by law to be annexed or attached as the case may be, to the Balance Sheet) shall, not less than twenty-one days before the date of the meeting before which it is to be laid, be sent to the persons to whom the same is required to be sent pursuant to Section 219 of the Act and in manner thereby directed.

AUDIT

190. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the Profit and Loss account and Balance Sheet ascertained by one or more Auditors to be appointed as hereinafter provided. No Auditor so appointed can be removed from office before the expiry of his term except by the Company in general meeting, after obtaining the previous approval of the Central Government.

Accounts to be audited.

The provisions of Sections 224 to 230 (inclusive) of the Act with regard to the appointment, remuneration, removal, qualifications, disqualifications, powers and duties and audit of branch offices, signature of the Audit Report and reading and inspection of the Report shall apply and the Company shall comply with the same so far as they may be applicable.

191. (1) The Company shall, at each Annual General Meeting 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 the Auditors so appointed, unless he is a retiring Auditor.

Audit Provision.

(2) At any Annual General Meeting, a retiring Auditor, by whatsoever authority appointed, shall subject to the provisions of Sub-section (2) of Section 224 of the Act, be re-appointed.

(3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, 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 remaining 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.

192. The remuneration of the Auditors shall subject to the provisions of Section 224 of the Act be fixed by the Company in general meeting.

Remuneration of Auditors.

193. (1) Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the 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, and other communications relating to, any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor 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 in accordance with the provisions of Section 227 of the Act make a report to the members of the Company.

When Account to be deemed finally settled.

194. 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.

NOTICES

195. The term "notice" in this and the following Articles, ending with Article No. 206 shall include Summons, notice, requisition, order or legal process and any document in relation to or in the winding up of the Company.

New Notices to be served on.

196. (1) A notice may be given or served by the Company to or on 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 giving of notices to him.

(2) Where a notice is sent by post :—

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

(b) such service shall be deemed to have been effected:

(i) in the case of a notice of 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 the Post.

Notice to joint holders.

197. 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 notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on or given to him on the day on which the advertisement appears.

Notice to joint holders.

198. A notice may be given or served by the Company to or on the joint holders of a share by giving the notice to the joint holder named first in the Register in respect of the shares.

Notice to persons acquiring shares on death or insolvency of member.

199. A notice may be given or served by the Company to or on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent or by any like description at the address (if any) in India

supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by the giving or serving the notice in any manner in which the same might have been given or served if the death or insolvency had not occurred.

200. Subject to the provisions of the Act, notice of every general meeting shall be given in some manner hereinbefore authorised to :—

- (a) every member of the Company in the manner authorised by Sub-sections (1) to (4) of Section 53 of the Act;
- (b) every person entitled to a share in consequence of the death or insolvency of a member as provided in Section 172 (2) (b) of the Act;
- (c) the Auditor or Auditors in the manner authorised by Section 53 of the Act in the case of any member or members of the Company.

201. The signature to any notice to be given by the Company may be written, printed or lithographed and such notice may be signed by the Managing Agents or, by the Managing Director or by the Secretary or by such other Office the Directors may authorise.

How notice to be signed.

SECURITY CLAUSE

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

Secrecy clause.

203. No member shall be entitled, except to the extent expressly permitted by the Act or these regulations or by the Board of Directors or Managing Agents, to enter upon, visit or inspect any Works or the property of the Company or to require discovery of or any information respecting any details 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 or 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 interests of the Company or its business or the members of the Company to communicate to the public.

Members not entitled to Information.

WINDING UP

204. (1) Subject to the provisions of the Act, if the Company shall be wound-up whether voluntarily or otherwise, the liquidator may with the sanction of a Special Resolution divide among 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 of assets in specie.

- (2) If thought expedient, any such division may 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 (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined, on, any contributory who would be prejudiced thereby shall have the right, if any to dissent, if such right be given by the Act.
- (3) In case any of the 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 Resolution, by notice in writing direct the liquidator to sell his proportion and pay him the net proceeds, and the liquidator shall, if practicable, act accordingly.

INDEMNITY

Idemnity

205. Subject to the provisions of Section 201 of the Act, every Director, every Managing Agent, Secretary, Treasurer, Manager and other officer or servants or employee of the Company or of the Managing Agents 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 costs, losses and expenses (including travelling expenses) which any such Managing Agents, Director, Secretary, Treasurer, officer or servant or employee may incur or become liable to by reason of any contract entered into or act or deed done by him in such capacity or in any way in the discharge of his duties, including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Managing Agents, Secretary, Treasurer, Manager, Officer or servant or employee in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court AND the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

Individual responsibility of Director.

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

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Name of Subscribers.	Address, Occupation and Description of Subscribers.	Number of Shares taken by each Subscriber.	Signature of Subscribers.	Signature of the Witnesses and their Address, Description and Occupations
Shantilal Ishwanthi Patel Son of Ishwanthi Bhulabhai Patel.	Gandhi Marg Vallabh vidyanagar Industrialist	50 Fifty Equity Shares.	S. Patel	Witness to subscribers No. 1 to 3
Chandrakant Himabhai Amin Son of Himabhai Hirabhai Amin	Near University Building Vallabh-Vidyanagar Industrialist	50 fifty equity Shares	A. Amin	Sahyabhai Magunlal Gurjar Off. Tambekar's Hotel Roopura. Baroda occ. Service.
Jyot - Chaital Amin Chaital Madhulal Amin	Vallabh-Vidyanagar Industrialist Adeswala Bldg Vallabh Vidyanagar Service	10 Ten equity Shares		Witness to subscribers No. 4 to 7.
Bhanubhai Bhairabhai Patel % Bhairabhai Madanbai Patel	Gandhi Marg Vallabh Vidyanagar Industrialist	(5) Five equity Shares		Subscribers Mankalal Girjashankar Sharda.
Sushila. Shantilal Patel W/o Shantilal Ishwanthi Patel	Gandhi Marg V. Vidyanagar House wife	50 Fifty Equity	S.S. Patel	Shreeji Colony, Vallabh-vidyanagar Dist. Raigar Occupation. Service
Dhiruben Chandrakant Amin W/o Chandrakant Himabhai Amin	Circular Road Vallabh Vidya nagar House Wife	5 Five Equity	D. C. Amin	
Ashu Chandrakant Amin D/o Chandrakant Himabhai Amin.	Circular Road Vallabh. vidyanagar student.	5 Five equity	A. C. Amin	

Dated this 7th day of March 1967.