

MEMORANDUM

&

ARTICLES

OF

ASSOCIATION

AVON MERCANTILE LIMITED

CERTIFICATE OF REGISTRATION OF THE ORDER OF COMPANY
LAW BOARD BENCH CONFIRMING TRANSFER OF THE
REGISTERED OFFICE FROM ONE STATE TO ANOTHER
(Section 18(3) of Companies Act, 1956)

Re.....AVON MERCANTILE LIMITED.....

..... having by
Special resolution altered the provisions of its Memorandum of Association
with respect to the place of the registered office by changing it from the
State of WEST BENGAL.....

..... to the state of UTTAR PRADESH.....

..... and such alteration has
been confirmed by the orders of COMPANY LAW BOARD, ER BENCH, KOLKATA,
bearing date the 18.02.2002 in C.P. No.294(17)/ERB/2001

I hereby certify that a certified copy of the said order has been
registered.

Given under my hand at..KANPUR..... this.....11TH.....
day of..APRIL.....TWO THOUSAND TWO



(R.D.Kashyap)
Asstt. Registrar of Companies,
UP & UTTARANCHAL,
KANPUR.

U17118UP2002PLC026582 DATED 11.04.2002

M/S AVON MERCANTILE LIMITED,
-20, SECTOR-12,
NOIDA-201301,
UTTAR PRADESH.



Co. No. 21-70228

(Section 18 (3) of Companies Act, 1956)

**CERTIFICATE OF REGISTRATION OF THE ORDER OF COURT
CONFIRMING TRANSFER OF THE REGISTERED OFFICE
FROM ONE STATE TO ANOTHER**

The AVON MERCANTILE LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the registered office by changing it from the State of Maharastra to the State of West Bengal and such alteration having been confirmed by an order of Company Law Board, Western Region Bench, Mumbai bearing date the 9th February, 1995.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Calcutta this 29th day of March One thousand nine hundredth and ninety-five.



For AVON MERCANTILE LTD.

Sd/-

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[Signature]
Director/Company Secretary

Addl. Registrar of Companies
West Bengal



For AVON MERCANTILE LTD.

U. K. S.
Company Secretary/Direct.

BEFORE THE COMPANY LAW BOARD, WESTERN REGION BENCH, BOMBAY

Company Petition No. 407/17/CLB/WR/1994

Present : Shri C. H. Mehta
Member

In the matter of M/s AVON MERCANTILE LIMITED
having its registered office at 174, Princess Street, Bombay-400 002.

....Petitioner.

President on behalf of parties :

Smt. Sara Sancheti
Company Secretary
in whole-time practice
for the Petitioner company

Date of Hearing : 7/12/94

O R D E R

1. The petitioner company has presented this petition under section 17 of the Companies Act, 1956 to this Bench for confirmation of the alteration of the Clause II of the Memorandum of Association of the company for shifting of Registered Office of the company from the State of Maharashtra to the State of West Bengal as approved by special resolution passed in accordance with Section 189 of the Companies Act, 1956 at its Extra Ordinary General Meeting held on 28/4/94.
2. Taking into consideration the contents of the petition and the affidavit filed in support thereof and the oral submissions made by Smt. Sara Sancheti on behalf of company and also the submissions made by Company Prosecutor, Gr. III on behalf of Registrar of Companies, Maharashtra, Bombay and noting that the company has duly complied with the provisions of regulation 36 of the Company Law Board Regulations, 1991 and that no objection has been received from any one in this regard, the alteration in the Memorandum of Association of the petitioner company as approved by the special resolution at its Extra Ordinary General Meeting held on 28/4/94 is hereby confirmed as set forth in the Schedule hereto and forming part of this Order subject to the condition that interest of no employee employed, if any, in the Registered Office of the Petitioner company shall be adversely affected either by transfer, retrenchment or otherwise.

S C H E D U L E

RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, 1956, the Clause II of the Memorandum of Association of the company be altered by substitution of the words "State of West Bengal" in place of the existing words "State of Maharashtra".

FURTHER RESOLVED THAT Clause II of the Memorandum of Association shall be read as under :

- II The Registered Office of the Company will be situated in the State of West Bengal.



BOMBAY

Dated : The 9th day of February, 1995

Sd/-
(C. R. MEHTA)
MEMBER



For AVON MERCANTILE LTD.

FORM I. R.

Director *Y. K. Jaisan*
Company Secretary

CERTIFICATE OF INCORPORATION

No. 35129 of 1984-85

I hereby certify that Avon Mercantile Limited is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

Given under my hand at Bombay this Twentyfirst day of January One Thousand Nine Hundred and Eighty Five.

The Seal of
the Registrar of
Companies.
Maharashtra

Sd/- V. GOVINDAN
Registrar of Companies
Maharashtra



For AVON MERCANTILE LTD.

Company Secretary / Director

FORM I. R.

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

Pursuant of Section 149 (3) of the Companies Act, 1956

No. 35129 of 1984-85

I hereby certify that the Avon Mercantile Limited which was incorporated under the Companies Act, 1956 on the Twentyfirst day of January 1985 and which has this day filed a duly verified declaration in this prescribed form that the conditions of Section 149 (1) (a) to (d) /149 (2) (a) to (c) of the said Act, have been complied with is entitled to commence business.

Given under my hand at Bombay this Sixth day of March
One Thousand Nine Hundred and Eighty Five.

The Seal of
the Registrar of
Companies.
Maharashtra

Sd/- V. GOVINDAN
Registrar of Companies
Maharashtra

For AVON MERCANTILE LTD.

THE COMPANIES ACT, 1956

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

AVON MERCANTILE LIMITED

Upam
Secretary/Director

I. The name of the Company is AVON MERCANTILE LIMITED.

II. The Registered Office of the Company will be situated in the

STATE OF UTTAR PRADESH.

III. The Objects for which the Company is established are:

A. THE MAIN OBJECTS TO PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

1. To carry on all or any of the business of buyers, sellers, producers, manufacturers, suppliers, traders, merchants, importers, exporters, hirers, indentors, brokers, agents, assemblers, packers, processors, stockists, warehouse men, distributors and dealers of engineering goods, plants and machinery, stores, spare parts, nuts and bolts, accessories, commercial, natural and manmade fibres, cotton, cottonwaste, hardwaste, ginning and pressing, kapas, yarn, wool, silk, handicrafts, flax, hemp, rayon, nylon and other fibrous materials, readymade garments, carpets, cloths and all sorts of appareals, dressing materials, jute and jute products, jute cuttings, jute rejection, coal and hard coke, cement, RCC cement pipes and its allied products, vegetable oils, vanaspathi, refined oil, acid oil, soap stock, soap sodium silicate chemicals organic and inorganic, fine or heavy, their mixtures and formulations, pesticides and insecticides of all kinds building material, fire bricks, vehicles, vehicle parts, machine parts, industrial components, plastic and plastic products and electronic parts and devices, iron steel and steel products, bullion, precious stones, work of art, antique, curios, jewellery and ornaments, glass and glassware, paper and paper board, Newspaper, Straw Board, Hardboard spices, tea, coffee, manures, fertilisers, electrical goods, sugar, tractor and other agricultural implements, tyres, tubes, rubber and rubber products, leather and leather products, foot wears, metals and minerals and all other allied goods and also electrical, chemical, photographic, surgical and scientific apparatuses, instruments, goods and materials, drugs, medicines, tannins essence and pharmaceuticals, minerals, and other waters, oils, paints, pigment and varnishes, compounds, dye, stuff, organic or mineral intermediates, marble and hardware items and generally to carry on business of marchants, traders, dealers, export house for goods, commodities and merchandise of any other description for carrying on of all such business in India or abroad.

- ★2. To act as financiers with the object of financing by bridge loans, inter corporate deposits, to lend or deal with the money either with or without interest or security and to arrange, negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to give any guarantees for payment of money or performance of any obligation or undertaking, and to undertake any business, transaction or operation commonly carried on or undertaken by capitalists, promoters, financiers and underwriters.
- ★3. To carry on business of an investment company, an investment trust company, to undertake and transact trust, agency investment and financial business and to subscribe, underwrite, take, acquire, hold, sell, buy, exchange and deal in shares, stocks, bonds, debentures, notes, units, obligations and securities issued or guaranteed by any company, body corporates, co-operative society, State or Central Government, Public body or Authority, Municipal or Local Bodies whether in India or abroad.
- ★4. To carry on the business of Leasing, Purchase, Sell, Hire Purchase, renting or otherwise of all and every type of industrial machinery, consumer durables, office equipment, commercial, personal and industrial vehicles residential and commercial buildings, all forms of movable and immovable properties, agricultural and horticultural forms and to render consultancy and advisory services in connection with and/or in association with above activities on its own and/or in association with other Indian and Foreign hire purchase and leasing companies, commercial and merchant bankers and other corporate bodies.
- ★5. To plan, promote, generate, acquire by purchase in bulk, develop, distribute and accumulate power by wind, solar, hydro, thermal, nuclear, atomic, biomass, coal, lignite, gas, ocean energy, geothermal or any other form by which energy, power can be produced and to transmit, distribute, sell and supply such power for captive consumption by the company and/or for consumption by the others and to construct, lay down, establish, fix, maintain and carry out necessary power stations and projects and to process, make, market, use, sell and dispose of ash or any other material produced as a result of the above activities.

B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE MAIN OBJECTS ARE:

- 1. To finance industrial and other business enterprises and to promote corporate bodies to be engaged in industrial and other business.
- 2. To provide consultancy in and to work as brokers to issue, managers to the issue and underwriters to the issue of shares, Debentures, Public Deposits and other securities and to act and carry on business of consultants, advisers managers, registrars and share transfer agents of Companies, Industrial Enterprises, firm for persons.
- 3. To purchase or otherwise acquire, construct, sell dispose of, manage, lease, turn to account & deal in real and personal property of all kinds and in particular lands, buildings, hereditaments, business concerns & undertaking mortgages, charges, annuities, patents, licences, concessions, options, policies, book debts, claims, merchandise and other property in India or elsewhere any interest in real or personal property and any claims against such property or against any persons or Company and as regards lend to develop the resources thereof by improving and civil constructions of commercial and residential building, markets hospitals and public and private work of all kinds.

★As per CLB/ER Bench at Calcutta order Dated 18th day of Dec. 1996.

4. To carry on the business of industrial, technical, financial and management consultants and advisers and to enter into collaboration agreements and to provide all types of consultation including managerial personal secretarial, designing, engineering, preparation of feasibility and project reports, drawing, plant lay out and helping the finalisation of contracts and commissioning of plants.
5. To carry on business of consultants and advisers in the areas of accounts and finance and taxation relating to the maintenance of books of Accounts, preparation of final Accounts, installing better accounting and cost accounting system, financial planning, project reports, control over the progress of the new projects, capital budgetary decisions, Amalgamation, purchase of new business, valuation of shares, valuation of goodwill, foreign collaborations, raising capital from various financial institutions, banks and other sources, investments of surplus funds, tax planning and consultation on controversial tax matters.
6. To enter into any agreement for financial, managerial and/or technical collaboration, for any of the objects of the Company with any Indian or foreign agency, individual, firm, company or Government undertaking either in India or abroad.
7. To cause the Company to be recognised in any foreign country or place and to open branches in India or outside for the purpose of the Company.
8. To construct and develop, residential or industrial colonies for general advancement of the employees of the company and also for letting out and selling on instalment basis.
9. To enter into partnership or into any arrangement for sharing profits, union of interest, joint venture or reciprocal interest with any person firm or company.
10. To acquire and undertake by outright purchase or on lease the whole or any part of the business, property and liabilities of any person or company or firm.
11. To draw, make, accept, endorse, execute and discount promissory notes, cheques, bills or exchange, hundies and other negotiable and transferable instruments in connection with company's business.

12. To acquire by outright purchase or transfer of licence or rights to dealing from any other individual, firm or company or companies and also to apply for any licence for carrying out objects of the company and to apply for its surrender.
13. To take agencies of any firm, company or companies, within India or abroad for the direct or indirect benefit of the company and to appoint agents for its own business.
14. Subject to the provision under of Section 58A of the Companies Act, 1936 and the regulations made thereunder and the directions of the Reserve Bank of India, from time to time, to receive money or deposit on interest or otherwise with or without security from companies, firms or persons, whether movable or immovable properties and to lend money and negotiates such conditions as may seem expedient and to guarantee the performance of contracts by any person, company or firm, provided that the Company shall not carry on the business of banking.
15. To acquire or amalgamate with any other company whose objects are or include objects, 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 liabilities to this or any such other company as aforesaid, with or without winding up or by sale or purchase (fully or partly paid-up shares or otherwise) of all shares or stock of this or any such Company as aforesaid or by partnership or in any other manner.
16. To establish a branch in India and elsewhere and regulate and discontinue the same.
17. To establish, promote and assist any company or companies for purpose of furthering the objects of this Company.
18. To obtain from any Government or authority such rights, privileges and concessions which the company may think desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
19. To accumulate capital for any of the purposes of the Company and to appropriate the Company's assets for specific purposes and to hold

shares and securities of any other firm, companies or corporate body or Government.

20. To issue shares and debentures of the Company at par or at premium or at a discount and to sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit.
21. To remunerate any person or company and pay commission or brokerage in cash or otherwise, whatsoever, for services to be rendered for the Company.
22. To sell, dispose of or transfer any of the business, property and undertaking of the company or any part thereof for any consideration which the company may deem fit to accept.
23. To accept stock, share or debentures, mortgage debentures, of other company in payment or part payment for any service rendered or for any sale made to or debt owing from such Company.
24. To enter into contract with any person or company or firm giving or taking partial or sole and exclusive right to supply by or to the company with the articles or commodities used or sold by the company on such terms and conditions and for such period or periods as may be determined from time to time.
25. To enter into any arrangement with any Central State or Foreign Government or public body or person or authority or with any private individual that may seem conducive to the Company's object or any of them and to obtain from any such Government Authority, person, public body and private individual, any concessions, grants, decrees, rights, charters, contracts, licences, powers and privileges, whatsoever, which may seem to the company capable of being turned to account of which the Company may think directly or indirectly conducive to any of the objects or capable of being carried on in connection with business and to work develop carry out, exercise and turn to account the same.
26. Subject to Section 293 of the companies Act, 1956, to borrow, raise or secure the payment of money in such manner as the Company shall think fit either by the issue of debentures, debenture stocks, perpetual or otherwise, mortgage of any other securities charged or based upon

the undertaking of the Company, both present and future including the uncalled capital of the Company or without any such security and upon such security and upon such terms as to priority or otherwise and generally to borrow money in such manner as the directors shall think fit.

27. To accept as a gift and to give in gifts, property, movable or immovable in or outside India, stock, debentures, securities assigning of insurance policies or in cash or shares from or to the individuals or firms or companies whose object may be same or different in appreciation of the service rendered or otherwise.
28. To lend money to such person or companies on such terms as may seem expedient and in particular to customers and other having dealings with the Company and to guarantee the performance of contracts by such persons or companies subject to the Banking Regulation Act, 1949.
29. To establish, support or aid in the establishment and support of association, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees (including Directors and ex-Directors) of the Company (or its predecessors in business or the dependants or connections of such persons) to grant pensions and allowances, gratuities, bonuses and annuities and to make payment towards insurance and to subscribe or guarantee money to charitable or benevolent object or for any exhibition or for any public general or useful objects to the provisions of Section 293A of the Companies Act, 1956.
30. To apply for, purchase or otherwise acquire and protect, prolong and renew whether in India or elsewhere any patents, patent rights, trade marks, designs, licences, protections concessions and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention process or privileges which may seem capable of being used for any of the purpose of the Company or the acquisitions of which may seem calculated directly or indirectly to benefit to Company and to use exercise, develop manufacture under or grant licences or privileges in respect, of or otherwise turn to account

(7)

the property, rights and information so acquired and to carry on any business in any way connected therewith.

31. To form, incorporate or promote any company or companies, whether in India or in any foreign country, having amongst its or their object the acquisition of all or any of the assets or control, management or development of the Company or any other objects or object which the the opinion of the Company could or might directly or indirectly assists the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscription of or placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company or any stocks, shares, bonds, debentures, obligations or securities of any other Company held or owned by the Company or in which the Company may have an interest in or about the formation or promotion of the Company or the conduct of its business or in or about the promotion or formation of any other company in which the Company may have an interest.
32. To provide for the welfare of the employees, ex-employees, directors and ex-directors of the company or its predecessors in business or the family members, dependants, or connections of such persons by building or, contributing to the building of houses, dwelling or quarters or by grants or money, pension, gratuities, allowances, payment towards insurance, houses, profit sharing bonuses or benefits or any other payments or by establishing, supporting from time to time, subscribing or contributing or aiding in the establishment and support of association, institutions, funds including provident funds, trusts, profit sharing or other schemes and conveniences and by providing or subscribing or contributing towards the place of instruction and recreation, hospitals and dispensaries, medical and other attendances as the company shall think fit

C. OTHER OBJECTS:

1. To undertake, carry out, promote or sponsor any programme of rural health or development, including any programme for mass immunisation or for promoting the health, social and economic welfare or the uplift of the public in any rural or other areas, to assist in the execution and promotion of any such programme, either directly or through the Agency of any person or persons or in any other manner and to incur expenditure on any such programme with power to the Directors to transfer, with or without consideration, or divert the ownership of any property of the Company to or in favour of any person or persons including any public or local body or authority, Central or State Government, any public institution or any trust or fund as approved by the Central Government, or State Government or any other appropriate authority.

Without prejudice to the generality of the foregoing, the words "Rural Area" shall include such areas as may be regarded as rural areas under Section 35CC of the Income Tax Act, 1961 or any other law relating to rural development for time being in force or as may be regarded by the Directors as rural area.

2. To undertake, carry out, promote, sponsor or assist any activity for the promotion and growth of the natural economy and for discharging what the Directors may consider to be the social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or the social economic or moral uplift of the public or any section of the public in such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing undertake, carry out, promote and sponsor any activity for, publication of any books, literature, newspapers, etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, scholarships, loans or any other assistance to deserving student or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches or for establishing, conducting or assisting any institution, fund, trust etc. Having any one of the aforesaid objects by giving donations, or in any other manner and the Directors may at their discretions, in order to implement any of the above-mentioned objects or purposes transfer without consideration or at such fair or concession value at the Directors may think fit and divert the

ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public institutions or Trusts or Funds as approved by the Central Government of State Government or any other appropriate authority.

3. To carry on in all their aspects the business of hire purchase or general finance, investment trust and finance brokers.
4. To carry on the business of film financing whether by system of hire purchase, profit sharing, royalty or percentage, Commission or on any other term.
5. To carry on business and to act as a General Contractor and to do any construction, manufacturing, building, road making, engineering and all other kinds and descriptions whatsoever for any person, firm, Company, Public body, Government, Army, Navy, Railways, etc. by the, Company itself or in partnership with such Company or individuals or persons as may be thought fit by the Directors.
6. To carry on the business of manufactures of and dealers in all kinds and classes of papers, board, paper products and pulp.
7. To carry on the business as producers, manufacturers, processors, converters, refiners, makers, bottlers, stockists, dealers, importers, exporters, traders, retailers, agents, buyers or sellers of oxygen, acetylene, ammonia, nitrogen, hydrogen, helium and other types and kinds of gases required for or used in industries, agriculture, clinics, hospitals, refrigeration, aviation, transport vehicles, space rockets and crafts, communication, objects and media, power plants, domestic or public lighting, heating, cooling or cooking purposes, lighters, plants, producing water, chemicals or fuels, pesticide, defence or warfare establishments, horticulture, forest or plant protection and growth and other allied purposes and to service, repair, manufacture, market or deal in machinery, plants, spares, cylinders, containers, gadgets, appliances and accessories required for, working on, using or producing any of such gases and products.
8. To manufacture, process, import, export, buy, sell and deal in Vanaspati oils, de-hydrated vegetable oils, oils made or processed from seeds, cotton seeds, coconut products, of plantations, horticulture, agriculture and forest produce and oil cakes and soaps and lubricants made from such oils or as by products thereof.

9. To carry on business as manufacturers, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, stockists, buyers, sellers, agents or merchants in all kinds and forms of steel including mild, high carbon, high speed, tool, alloys stainless and special steels, iron metals and alloys, ingots, billets, bars, joists, rods, squares, structurals, tubes, poles, pipes, sheets, castings, wires, rails, rolling materials, roller other materials made wholly or partly of iron, steel, alloys and metals required in or used for industrial, agricultural, transport, commercial, domestic, building, power transmission and/or construction purposes.
10. To carry on business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaries of and dealers in synthetic rubber, elastomers, synthetic resins, carbon, black, rubber latex, plastics, latexes and formulations thereof including reclaimed rubber, natural rubber, resins, compounds and other products, nylon and rubber tyres and tubes, tyre valves, petrochemicals, calcium carbide, styrene, butadiene, ethylene, alcohol, hydrocarbon, petroleum fractions, inorganic chemicals, organic chemicals, fine chemical including photographic chemicals, paints, varnishes and enamels, coke oven by products, coal tar distillation products like naphthalene, anthracene, benzene, phenol, and the like, phthalic anhydride, asbestos paper and special jointing material, graphite and silicon carbide crucibles, cryolite, aluminium fluoride, bromine, electrodes including graphite electrodes, welding rods, calcine, petroleum coke, salt and allied products, caustic soda, chlorine, thermosetting and thermoplastic plastics and compounding agents and additives, caprolactum and allied chemicals, amines and plasticizers, enzymes, acids, amino acids, sulphates and other synthetic chemical and chemical substances-basic, intermediate, finished or otherwise and all types of drugs and pharmaceuticals.
11. To produce, manufacture, purchase, refine, prepare process, import, export, sell and generally deal in cement, portland cement, alumina cement, asbestos cement, lime and lime stone and by-products thereof, cement-pipes, sheets and other building materials, refractories, fire-bricks, furnace lining bricks-acidic, basic and natural, insulating boards, wall boards, plasters, mortar, marble, mosaic, tiles and the like.

12. To carry on business as timber merchants, saw mill proprietors and timber growers and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber, teak, plywood, hardboards, fire wood and wood of all kinds and to manufacture and deal in items where plywood or other wood is used including matches, bobbins and shuttles and to buy, clear, plant and work timber estates.
13. To carry on the business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaries of and dealers in flour, cakes, pastry, cornflakes, bread, biscuits, chocolates, confectionery, sweet, fruit drops, sugar, glucose, chewing gums, milk, cream, ice, icecream, aerated or mineral waters, fruit juices, wines, liquors and other alcoholic drinks and fermentation products, canned fruit products, milk and malted food, cigarettes, cigars, protein foods, maize products, butter, ghee, cheese and other dairy products, pickles, jams, jellies, sausages, cider, poultry and eggs, pulses, spices, oils, powder and condensed milk, honey, fresh and dehydrated vegetables, coffee tea cocoa seeds, processed seeds, concentrate for cattle or poultry feed, fruits and all kinds of processed foods as well as materials required or used for preparation of food article.
14. To carry on the business as travel agents, tourist and cargo carriers by road, air, sea or by any other mode of transport and to carry on all allied business and activities pertaining to the travelling and tourist business.
15. To carry on the business, as manufacturers, producers, dealers, processors, importers, exporters, stockists, agents, brokers, traders, retailers of all kinds of paper including writing, printing, wrapping and tissue, newsprint paper for packing including corrugated and kraft paper, synthetic papers, paper board and straw board, and all kinds of pulp whether mechanical or chemical including dissolving pulp and also to carry on business as printers and publishers including of news papers, books and journals.
16. To manufacture, produce, buy, sell, import, export, stock and deal in machine tools, grinding machines, automatic lathes, drilling machines, planing machines, planogrinders, machinery of every description, precision tools, cutting and small tools, fasteners, electric motors, electrical equipments, cables, wires, switch-gears, flame and drip

proof meters, electric fans, cookers and flasks, gramophone including record players and records, other domestic appliances, regulators of all types, electric kilowatt hour meters, magnets, industrial jewels, ammeters, volt meters, and other type of measuring instruments, electrical or non-electric die castings, screws, nuts and bolts, transformers of all types, circuit breakers, gears, trolleys and coaches, winches, air compressors, transformers and switchgears, welders, refrigerators, domestic washing machines, television and wireless apparatus including radio receivers and transmitters, micro wave components, radar equipments, valves, resistors, electronic instruments conductors, magnetic materials, transistors and allied items, sewing machines, watches and clocks, taperecordets, house-hold appliances and components parts thereof,

17. To carry on the business of manufacturers and dealers in air-conditioning and refrigeration thermal and hydro power generation equipment, equipments, consumer and domestic appliances, radios and transistors, electronic equipment including television and computers, oxygen and acetylene electrodes including graphite electrodes, weighing scales, cement refractories, batteries, agricultural equipment, thermometers, flashlights, detonators and explosives, hume and cement pipes, asbestos strach and by-products, wire rops, linoleum, vinyl tiles, glass, calculators, typewriters and all forms of office equipments, magnets, gauges and precision instruments, conductors, rectifiers, capacitors, meters, matches, grinding and abrasive equipment, potteries, tiles and ceramics, lighting equipment, oils, menures or any one or more of such business in all or any of their respective branches.
18. To Grow cultivate manufacture, treat, cure, blend process, buy, sell or deal in tea or coffee in various forms.
19. To carry on the business as manufactures, distributors, Importers, exporters, agents and generally deal in all kinds of leather items and things made of leather and leather goods and chemicals used for manufacture of leather products.
20. To carry on the business of hotel, restaurent, cafe, tavern, beerhouses refreshment rooms and lodgings, house keepers, licensed victuallers, wine, bears and spirit merchants, importers and manufacturers of

aerated mineral and artificial waters and other drinks, purveyors, caterers for the public, importers and brokers of food, live and dead stock and foreign produce of all descriptions, bakers, confectioners, milk sellers, butter sellers, dairymen, poulterers, green grocers, farmers and ice merchants.

21. To carry on the business of chemical engineers chemical manufacturers chemists, analysts research chemists, druggists, importers and manufacturers of and dealers in pharmaceutical, medical, chemical, industrial and other products and articles, compounds, cements, oils, paints, varnishes, drugs, medicines, dyewares and makers of and dealers in patent, medicines, surgical, and scientific apparatus and materials.
22. To carry on all or any of the business of mechanical engineers and manufacturers and suppliers of implements and machinery, toolmakers, smiths, steel and brass founders, metal workers, machinist, iron and steel workers, metallurgists, and suppliers of agricultural implements, motor and automobile spare parts, sugar mill machinery, oil mill machinery, manufacturers of surgical instruments, and to buy, sell, manufacture, repair, convert, let on hire and deal in metals, machinery implements rolling stocks and hardware of all kinds.
23. To carry on all or any of the business as supplying, purchasing, selling, importing, exporting, manufacturing processing, converting, establishing workshop and factories, offices and buildings and the business of brick-makers, potters.
24. To carry on the business of manufacturers, importers, exporters, dealers, hirers, repairers, cleaners, carriers and stores of motor cars, automobile spare and parts, omni-buses, trucks, lorries, tractors, bulldozers, motor cycles, scooters, motor buses, motor lorries, motor vans, and other conveyance of all descriptions whether propelled or assisted by petrol, spirit, steam, gas, electricity, animal, atomic or other power or engines, chassis, bodies and other things used in or in connection with the above-mentioned things.
25. To carry on the business of cold storage, refrigeration, cooking, dehydration, preservation, of any product.
26. To carry on the business as dealers in and purchasers of dairy farms, garden and produce of all kinds and in particular milk, cream, butter, ghee, cheese, poultry eggs, fruits, vegetable ghee, artificial ghee, spices sausages, prawn, pickled meat table delicacies, loaves, bread, and manures.

27. To carry on the business of house shop, saloon halls and other apartment and exhibition decorators and execute decorative work of all sorts, to prepare manufacture, paint, use, import, export, devices, design all kinds of artistic, objects for use and ornamentation or any property used in the decoration or furnishing of buildings, exhibition or other structures of all kinds and nature.
28. To carry on all kinds of business of manufacturers, importers, exporters dealers, assemblers distributors of radios radiograms, gramophones, wireless apparatus, domestic and commercial refrigerators, coolers, freezers of all kinds, humidifying dehumidifying, ventilating and cooling plants, room-coolers and air-conditioning of all kinds, records, bare and rubber insulated wires, cables, flexible cords fuse wires, copper and aluminium wires, electric switches and switch-gears, contents, lamps motors, fans and electric goods, plastic and light material products, equipments and accessories of all kinds cold storage equipments and all articles and thing used in manufacture, construction, erection, maintenance and working thereof in connection therewith in any way whatsoever. To repair the same and their machinery and apparatus.
29. To manufacture, process, buy, sell, import and deal in all kinds of machinery, food products, seeds, patents and licences, all kinds of fertilizers, lime mineral products and stock-feeds.
30. a) To carry on the business of founders of ferrous and non-ferrous metals sheet workers, mechanical structural, electrical and metallurgical engineers, to carry on the work of cast iron foundry for the manufacture of all types of pipes and pipe-fittings, water-reservoirs drainage requisites including manhole frames and covers, gratings and ladders, cast iron sanitary appliance and fittings including flushing cisterns, bath-tubs wash-basins cast iron building requisites including railing, spiral stairs, ladders, ventilators, ornamental window-frames pillars, agricultural implements including choppers, ploughs cast iron railway castings including sleepers, fish plates, wheels and other fittings household requisites and utensils, including cooking pans, containers, coal mining and engineering requisites including pinions, tube-wheels, pump-parts and other general and special castings.

- (b) To carry on the work of mechanical and electrical engineers and to run a workshop to undertake and execute all types of mechanical and structural jobs of manufacturing, fabrication and erection of buildings and articles and to do various types of sheets metal work including manufacturing and construction of storage tanks, buckets, drums various types of containers and other similar items, that may be easily marketable.
31. To invest and to carry on the business of jewellers, bullion merchants, gold-smiths, silver-smiths, gem and stone merchants.
32. To deal in and to invest in precious stones, diamonds, pearls, jewellery, watches, clock, chronometers, gold and silver plates, electro-plated cutlery, presents and gifts, coins, cups, metals shields, curious articles of virtue, art and antiquities, dressing bags, and bronzes.
33. To engage and carry on the business of raising, packing, grading, preparing for market eggs, butter, cream, milk, farm and poultry products of all descriptions. To hatch, breed and raise either by natural means or incubators or otherwise poultry of all kinds.
34. To carry on the business of exhibition of films, cinema-owners, film distributors, studio-owners and all other allied trades and techniques and also to act as producers, distributors, importers, exporters, exhibitors and financiers of cinematograph film and to manufacture, own, acquire, provide, secure, arrange or deal in films and photographic paper and equipment cameras, sound recording, musical, lighting appliances, instruments equipments and machines and to construct, establish, own, hire or otherwise acquire and to manage, let out for rent, fee, monetary gain or otherwise studies, laboratories, theatres, buildings, halls, open air-theatres, bars, restaurants and other buildings or work required for the purposes of production, distribution or exhibition of the films, operas stageplays, dances, operettas, burlesques, vaudeville, revues, ballets, pantomimes, and entertainments and to Act as dealers, importers, exporters of musical instruments and records, tapes, cinema and film projects and cameras, wigs and other products or materials related or connected with the aforesaid objects and business ; and to acquire exclusive or limited rights to any play, story, musical songs and lyric book, article or any technique by producing, purchasing or otherwise acquiring

and to use exercise, develop or exploit or turn to account such rights for the business of the company, and to act as agents for training, retaining, arranging and supplying artists, stars, art directors, script or story-writers, technicians, extra and other personnel required by the Company or other film, cinema or show business.

35. To manufacture, purchase, produce, grow, raise, preserves purity, refine, import export prepare, sell and deal in sugar sugarcandy, sugarcane, gur, molasses syrups, alcohol and all other by-products and food products, fertilizers and things generally and to maintain refineries foundries, workshops, distilleries and other works for the purpose of the Company.
36. To carry on mining and any business relating to the winning and working of minerals and to search for get work, raise manufacture, produce, buy, sell and in coal, coke mineral oil, iron ore, lime stone, graphite, carbon, chemicals, petro-chemicals, cement, brickearths, bricks, pipes, fire-clay, fire-bricks, mica and other metals, minerals and substances and their products by products and ancillary products and to manufacture and sell patent fuels, to work mines, mining rights in, under or upon the land and properties for the time being belonging to the Company and to mine, quarry, crush, wash, smelt, reduce or otherwise.
37. To purchase, take on lease, acquire in exchange or otherwise own, hold, occupy manage, control, construct, erect, alter, develop, pull down improve, repair, renovate, work, build, plan, lay out sell, transfer, mortgage, charge assign, let out, sub lease all types of lands, plots buildings, hereditaments, bungalows, quarters, offices, flats, chawls, warehouses godowns, shops, stalls, markets, houses, structures, undertakings constructions, tenaments, roads, bridges, forests estates, assets and properties, movable or immovable freehold or leasehold or whatever nature and description and wherever situate.
38. To carry on business as financiers, concessionaries and to discount, buy sell and deal in bills notes, warrants, coupons, suits and decrees for money granted by any court in the Union of India and other negotiable or transferable securities or documents.

39. To acquire from or sell to any person, firm body corporate or whether in India or elsewhere, technical and managerial information, know-how, process engineering manufacturing, operating and commercial data, plants, lay-outs and blue-prints useful for the design, erection and operation of any plant or process or manufacture and to acquire, grant or licence other rights and benefits in the foregoing matters, to render any kinds of managerial technical and financial consultancy services and to carry on the business of market research organisers, sales promotion agents, general advisers, technical and marketing consultants either alone or in partnership
40. To carry on business of technical, financial and management consultants and advisers and to enter into collaboration agreements for the manufacture of items which the company is entitled to produce in India and abroad with the companies, firms and individuals, Central and/or State Government and their concerns and to tender and provide all types of services including managerial personnel, secretarial designing, engineering, preparation of feasibility and project reports, drawings, plants layouts, tenders for all the plants & machinery, equipments, buildings and other structures and helping finalisation of contracts and commissioning of plants.
41. To carry on the business of manufacturers and dealers in capacitors, resistors, tubes, condensers, semi-conductor materials and devices, transistors, rectifiers, zener diodes, thermistors, integrated and hybrid circuits, relays and varistors, potentiometers connectors, printed circuits, coils, chokes, transformers, switches, volume controls, plugs, sockets, bases, aerial, gears, electrical, diesel motors, and pumps, batteries, accumulators, cables, metal and other cases, piezo electric quartz, crystals of all types including those made from synthetic material, meters of all kinds including those for industrial, Domestic and other uses etc chassis-holders and covers.
42. To carry on business as manufacturers traders importers exporters and dealers in all types of cables wires and its accessories conductors stranded wires and all other kinds of wires and wire products.
43. To purchase, lease, exchange or otherwise acquire land, building and other improvable properties of any type or description and rights connected with the land and turn the same into account in any manner, whatsoever, and in particular by preparing building sites,

opening road and by constructing, altering improving decorating, furnishing and maintaining offices, flats, houses factories, warehouses, shops, buildings and by contracting or sub-dividing properties and by leasing or disposing off the same.

44. To deal in scraps or by products arising out of the manufacturing process and also to deal in export and import in any such product.

45. To carry on its business as investors by way of acquiring, holding, selling, buying, transferring, subscribing, any shares, bonds, stocks, debentures, debenture stocks, and other obligations and securities and to act as underwriters guaranters, financiers and or securities to such individuals, firm, bodies corporate and institutions and upon such terms and conditions as the Company may think fit but not amounting to banking business as defined under the banking Regulation Act, 1949.

IV. The liability of the members is limited

V.

The Authorised Share Capital of the Company is Rs. 7,50,00,000/- (Rupees Seven Crores Fifty Lacs only) divided into 75,00,000 (Seventy Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each.

We the several persons, whose names and addresses and descriptions 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.

Signature, Names, Addresses, Father's name, description and occupation of subscribers	Total Number of Equity shares to be taken by each subscriber	Names, Address and description of witness
AZAD SINGH S/o. Shri Badar Singh 44, Tilik Khand Giri Nagar Kalkaji, New Delhi-19 Service	10 (Ten)	Witness to all the Signatories KRISHAN KUMAR KHADARIA Chartered Accountants S/o. Shri Raghunath Prashad Khadaria 111-C, Mittal Tower Nariman Point Bombay-21
L. N. MAHESHWARI S/o. Sri Durga Prasad Maheshwari 806, Brahmanpuri Maheshwari Bhavan Kosikalan (Mathura) Pin-281403 Service	10 (Ten)	
ASHOK KUMAR S/o. Dalip Chand 44/10, Ashok Nagar New Delhi-18 Business	10 (Ten)	
SUDHIR KUMAR S/o. Shri N. L. Savita Sec. III-701 M. B. Road Pashupatihar New Delhi-17 Service	10 (Ten)	
DEEPAK CHAKRAVARTI S/o. D. C. Chakravarti A8-912, Sarojini Nagar New Delhi-23 Service	10 (Ten)	
BIR BAHADUR MISHRA S/o. Hardev Mishra Halkesh Nagar G-71, Okhala Estate New Delhi-20 Service	10 (Ten)	
C. HARIDAS NAMBIAR S/o. Late K. Raman Nair 111-C, Mittal Tower Nariman Point Bombay-21 Service	10 (Ten)	
Total	70 (Seventy)	

Bombay Dated 2nd day of January 1985.

For AVON MERCANTILE LTD.

J. K. [Signature]
Company Secretary / Director

THE COMPANIES ACT, 1956

PUBLIC COMPANY LIMITED BY SHARES

Articles of Association

of

AVON MERCANTILE LIMITED

1. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof. Interpretation

The marginal notes hereto shall not affect the construction hereof and in these presents unless there be something in the subject of context inconsistent therewith.

"The company" means AVON MERCANTILE LIMITED.

"The Act" means the Companies Act, 1956 and includes any re-enactment or statutory modification thereof for the time being in force.

"Directors" means the Directors for the time being of the Company.

"Board" means the Board of Directors for the time being of the Company.

"The Managing Director" means the Managing Director for the time being of the Company so appointed.

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

'Register' means the Register of Members to be kept pursuant to Section 150 of the Act.

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

'Month' means calendar month.

'Dividend' includes Bonus.

Person includes body corporate, firm, association of firms and society registered under the Societies Registration Act.

Proxy includes Attorney duly constituted under a power of attorney.

In Writing and Written include printing, lithography and any other modes of representing or reproducing words in a visible form.

'Debenture' includes debenture stocks.

Special Resolution and Ordinary Resolution, have the same meanings assigned thereto by Section 189 of the Act.

These presents means the Memorandum of Association and these Articles of Association of the Company for time being in force.

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

'Article' means these Article of Association or as altered and modified from time to time according to law.

Table 'A'
not to Apply

2. The regulations contained in Table 'A' in the first Schedule to the Companies Act, 1956, shall not apply to the Company, except in so far as they are embodied in the following Articles which shall be the regulations for the management of the Company.

Company not
to purchase its
own shares

3. Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on the security of shares of the Company and the Company shall not give directly or indirectly, any financial assistance whether by way of loan guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase of, or subscription for any shares in the Company or in its holding Company.

4. Copies of Memorandum and Articles of Association of the Company shall be furnished to every shareholder of the Company at his request on payment of Rs.2/- (Two).

SHARES

5. (a) The Authorised Share Capital of the Company is Rs. 7,50,00,000/- (Rupees Seven Crores Fifty Lacs only) divided into 75,00,000 (Seventy Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each. The Company has the power from time to time to increase or reduce its share capital. Any of the said shares and any new shares hereafter to be created may from time to time be divided into shares of several classes in such manner as may be provided hereinafter and the company may allow and so that the shares of each class may have or confer such preferred or other special rights and privileges may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise as shall have been assigned thereto by or under provisions of the Articles of Association but so that the special rights or privileges belonging to holders of any shares issued with preferred or other rights shall not be varied or abrogated or affected except with such sanction as is provided for hereinafter.

- (b) The said Preference Shares will confer upon the holder thereof the right to a fixed cumulative preferential dividend at such rate as the Directors may decide at the time of issue on the Capital for the time being paid up thereon and the right in a winding up to payment of Capital and arrears of dividend in priority to the Equity Shares, but shall not confer any further right to participate in the profits or assets.

6. Subject to the provisions of Section 80 of the Companies Act, the company may issue Preference Shares which are, or at the option of the Company are liable to be redeemed on such terms and in such manner, as the Board may determine.

Redeemable
preference
shares

7. Subject to the provisions of these Article, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such persons, on such terms and conditions, at such time either at par or at a premium and for such consideration as the Board thinks fit. Provided that, where at any time it is proposed to increase the subscribed Capital of the Company by the allotment of further shares, then subject to the provisions of Section 81 (1A) of the Act, the Board shall issue such shares in the manner set out in Section 81(1) of the Act, save the Board may determine whether or not any offer of

Allotment of
share

shares made in such manner shall include a right exercisable by any person concerned to renounce all or any of the shares offered to him in favour of any other person.

Director may
allot shares for
consideration
other than cash

8. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted, may be issued as fully or partly paid-up shares.

Shares to be
Numbered

9. The shares in the Capital shall be numbered progressively according to their several denominations.

Return of
allotment

10. As regards all allotments made from time to time the Company shall duly comply with Section 75 of the Act.

Restriction on
allotment

11. If the Company shall offer any of its shares to the public for subscription.

(1) no allotment thereof shall be made, unless the amount stated in the prospectus as the minimum subscription has been subscribed, and the sum payable on application thereof has been paid to and received by the Company.

(2) the amount payable on application on each shall not be less than 5 percent of the nominal amount of the share; and

(3) the Company shall comply with the provisions of sub-section (4) of Section 69 of the Act.

Commission and
brokerage

12. The Company may exercise its powers of paying commission conferred by Section 76 of the Act provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the commission shall not exceed 5 percent of the price at which any shares in respect whereof the same is paid, are issued or $2\frac{1}{2}$ percent of the price at which any debentures are issued (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

Share at a
discount

13. With the previous authority of the Company in general meeting and the sanction

of the Company law Board Bench and upon otherwise complying with Section 79 of the Act, the Board may issue shares at discount of a class already issued.

14. If, by the conditions of issue of any shares, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalments, shall, when due, be paid to the Company, by the person, who for the time being shall be the registered holder of the share or by his executor or administrator. Instalments on shares be duly paid
15. 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. Liability of joint-holders of shares
16. Subject to Section 187C of the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by a court of competent jurisdiction, or as by statute required, be bound to recognise any equitable or other claim to or interest in such share in the part of any other person. Trust not recognise
17. Share may be registered in the name of any person, Company or other body corporate. Not more than four persons shall be registered as jointholders of any shares. Who may be registered

INCREASE AND REDUCTION OF CAPITAL

18. The Company in general meeting may, from time to time, by ordinary resolution increase the share capital by the creation of new shares by such sum, be divided into shares of such amount, as may be deemed expedient. Power to increase Capital
19. Subject to any special rights or privileges for the time being attached to any shares to any shares in the Capital of the Company then issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions thereto as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given, the Board shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company. On what conditions new shares may be issued
- 19A. Before the issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of the new shares and in particular, may determine to whom the shares be offered in the first instance Provisions relating to the issue

and whether at par or premium or subject to provisions of Section 79 of the Act at a discount. In default of any such provision or so far as the same shall not extend, the new shares may be dealt with in conformity with the provisions of these Articles.

How far new
shares to rank
existing shares

20. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of the Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise.

Inequality number
of new shares

21. If, owing to any inequality in the number of new shares to be issued, and the number of shares held by members entitled to have the offer of such new shares, any difficulty arising in the allotment of such new shares, or any of them amongst the members such difficulty shall, in the absence or any directions in the resolution creating the shares for by the Company in general meeting be determined by the Board.

Reduction of
Capital

22. The Company, may, from time to time, by special resolution, reduce in any manner and with, and subject to, any incident Capital authorised and consent required by law.

- (a) Its share capital;
- (b) any capital redemption reserve account or
- (c) any share premium account.

ALTERATION OF SHARE CAPITAL

23. The Company, by ordinary resolution may from time to time :

Power to sub-
divide and con-
solidate shares

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

- (c) Cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Where any share capital is sub-divided, the Company in general meeting subject to the provisions of Sections, 85, 87, 88 and 106 of the Act, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preferential or special rights as regards dividend, payment of Capital, voting or otherwise.

Right in respect
of shares on
subdivision

5. Subject to the provisions of Section 100 to 105 (inclusive) of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

Surrender of
share

VARIATION OF SHARE HOLDERS RIGHTS

26. If any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act whether or not the Company being wound up, be modified, affected, abrogated varied or dealt with by the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at the separate meeting of the holders of the issued share of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued share of the class in question. This Article is not by implication to curtail the power of modification which the company would have if this Article was omitted. The Company shall comply with the provisions of section 192 of the Act as to forwarding a copy of such agreement of resolution to the Registrar.

Power to var,
right:

SHARE CERTIFICATES

27. The certificate of title to shares, shall be issued within three months after allotment (or within such other period as the conditions of the issue shall provide).

Issue of
certificate

28. (1) Every person whose name is entered as member in the Register shall be entitled to receive within three months after allotment one certificate for all

Member's rights
to certificates

the shares registered in his name or if the Directors so approve to several certificates each for one or more of such shares.

- (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.
- (3) In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate to the first person named in the Register shall be sufficient delivery to all such holders.

Issue of certificates to jointholders

29. The certificate of shares registered in the names of two or more persons shall be delivered to the person first named in the Register.

Replacement of share certificates

30. If any certificate be old, decrept, wornout, torn or defaced or where the cages on its reverse side of recording transfers have been duly utilised, than upon surrender thereof of the Company, the Board shall order the same to be cancelled and issue a new certificate in lieu thereof without any payment. If any certificate be lost or destroyed, then upon proof of such loss or destruction of the satisfaction to the Board and on such indemnity and the payment of out-of-pocket expenses incurred by the company in investigating evidence, as the Board thinks fit a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate on a fee of two rupees for each certificate or such smaller fee as the Board may determine.

CALLS

Calls

31. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, made such calls as the Board thinks fit upon the members in respect of all moneys paid-up 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. Provided that option or right to make call on shares not be given to any person except with the sanction of the Company in general meeting. A call may be made payable by instalment and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed in the meeting of the Board.

32. No call shall exceed one-fourth of the nominal amount of a share, be made payable at less than one month from the payment of the last preceeding call. Not less than fourteen days, notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call shall be paid. Provided that, before the time for payment of such call, the Directors may, by notice in writing to the members, revoke the same or extend the time payment thereof.
- Restriction on power to make calls and notice
33. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the nominal amount of the share or by way of premium every such amount of instalment shall be payable as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls, forfeiture or otherwise shall relate to such amount or instalment accordingly.
- When amount payable
34. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment, the holder for the time being of the shares 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 12 percent 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 determine. The Directors may in their absolute discretion waive the payment of interest, wholly, or in part in the case of any person liable to pay such call or instalment.
- When interest call or instalment payable
35. Subject to the provisions of the law of Evidence and procedure on the trial or hearing of any action or suit brought by the Company against any share holder or his representatives to recover any debt or money claimed to be due the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim rose on the register of the Company as a holder or one of the holders, of the number of shares in respect of which such claim is made, and the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof the matters aforesaid shall be conclusive evidence of the debt.
- Evidence in action for call
36. The Board may, if it thinks fit, receive from any member willing to advance the same, and either the money or money's worth, all or any part of money due upon the shares held by him beyond the sums actually called for and upon the
- Payment of calls in advance

money so paid or satisfied in advance, or so much thereof as from 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 determined by the Board from time to time, unless the Company in General Meeting shall otherwise direct. The Directors may, at any time repay the amount so advanced upon giving to such member one month's notice in writing. The member shall not, however, be entitled to any voting rights or dividend in respect of the moneys so paid by him until the same would, but for such payment become presently payable.

Voting rights
when calls in
arrears

37. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any share registered in his name on which any calls or other sums presently payable by him have not been paid or a regard to which the Company has, and has exercised any right of lien.

Reservation of
calls

38. A call may be revoked or postponed at the discretion of the Board.

Directors may
extend time for
Payment of a
call

39. The Directors may, from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of residence at a distance or some other cause, may be seemed fairly entitled to such extension, but no member shall, as a matter of right, be entitled to such extension (save as a matter of grace and favour).

Every member to
pay the proportion
of the capital
represented
by the share

40. Every member, his 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 amount at such time or times and in such manner as the Directors shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

FORFEITURE OF SHARES

Notice for payment
of call or
instalment

41. If a member fails to pay any sum payable in respect of any call or any instalment of a call on or before the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of the said call or instalment remains unpaid, serve a notice on such member requiring payment of so much of the call or instalment as is unpaid together with any interest may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Mode of Notice

42. The notice aforesaid shall name a further day, not being earlier than the expiry of fourteen days from the date of service of notice, on or before which the payment required by the notice, is to be made and a place at which such call

or instalment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment on or before the date so named, the shares in respect of which such call or instalment was payable shall be liable to be forfeited.

43. If the requirements 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 the payment of calls or instalment, interest and expenses due in respect has been made, be forfeited by a resolution of the Board of that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. Forfeiture of shares
44. 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 Member but no forfeiture shall in any manner be invalidated by any occasion or failure to give such notice or to make such entry as aforesaid. Notice of forfeiture
45. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise dispose of on such terms and in such manner as the Board thinks fit. Forfeited shares to become property of the Company
46. The Board may at any time before any share so forfeited shall have been sold, reallotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. Board may annul forfeiture Arrears to be paid notwithstanding forfeiture.
47. (i) A person whose shares have been forfeited shall cease to be a member in respect of forfeited share but shall notwithstanding forfeiture remain liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of forfeiture, together with interest thereon from the time of forfeiture until payment thereof without any deduction or allowance for the value of the shares at the time of forfeiture.
- (ii) The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demand against the Company in respect of the shares and all other rights incidental to the share except any such of those rights as by these Articles are expressly saved.

Evidence of
forfeiture.

48. Subject to the provisions of the law of Evidence and Procedure, a duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts herein stated as against all persons claiming to be entitled to the share. 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 shall be registered as the holder of such shares and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to such shares be effected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or position.

Forfeiture provi-
sion to apply to
non-payment in
terms of issue

49. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue a share become payable at a fixed time whether on account of the nominal value of the share or by way of premium, as if the same has been payable by virtue of call duly made and notified.

Power to issue
non-certificate

50. When any shares under the powers on that behalf being contained are sold by the Directors and the certificate thereof has not been delivered to that Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.

Partial payment
of any indul-
gence show not
to preclude
forfeiture.

51. 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 share, either by way of principal of interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Directors from thereafter proceeding to enforce a forfeiture of such share as provided in these regulations for non-payment of the whole or any balance due in respect of the shares.

COMPANY'S LIEN ON SHARES

Company's lien
on shares

52. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called, or payable at a fixed time in respect of that share, and on all shares (not being fully paid shares) standing registered in the name of a single person for all moneys payable by him or his estate to the company, provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The Company's lien, if any, extend to all dividend declared from time to time in respect to 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.

For the purpose of enforcing such lien the Board may sell the shares subject hereto in such manner as it thinks 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 executor or administrator, committee, curator, bonis or other legal representative as the case may be, and default shall have been made by him or them in payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.

Endorsement of
lien by sales

The net proceeds of any such sale shall be received by Company and after payment of the cost of such sale, be applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall subject to like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the share at the date of the sale.

Application of
proceeds of
sales

Upon any sale after forfeiture or surrender or enforcing a lien in purported exercise of the powers hereinbefore conferred, the Board may appoint some person to execute an instrument of transfer the share sold and cause the purchaser's name to be entered in the Register in respect of share sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money, and after his name has been entered into the Register in respect of such share the validity of the sale shall not be impeached by any person on any ground whatsoever, and the remedy of any person aggrieved by such sale shall be in damages only against the Company exclusively.

Validity of sales
in exercise of
lien and after
forfeiture.

Where any share has been sold by the Board pursuant to these Articles and the certificate in respect thereof has not been delivered to the Company by the former holder of such share the Board may issue a new certificate for such share, distinguishing it in such manner as it may think fit from the certificate so delivered wherein any such case the certificate in respect of the share forfeited and/or sold is not delivered and new certificate for such share has been issued, the original certificate shall be treated as cancelled and no claim or title based on such certificate shall be binding on the Company.

Board may issue
new certificates

TRANSFER AND TRANSMISSION

Execution of
transfer etc.

57. Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument 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 of the transferee has been delivered to the Company along with the certificate relating to the shares, or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 103 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness, who shall add his address and occupation.

Provided that, whereon 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 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.

Application
registration of
transfer.

58. Application for the registration of the transfer of a share may be made either by the transferee or the transferor, no registration shall, in the case of the partly paid share, be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act and subject to the provisions of these Articles, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter the Register the name of transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

Director may
refuse to register
transfer

59. The Board, without assigning any reason for such refusal may, subject to right of appeal conferred by Section 111 decline to register;
- (a) the transfer of a share not being a full paid share, to a person of whom it does not approve, or
 - (b) any transfer of shares on which the Company has a lien;

Provided that registration of transfer shall not be refused on the ground of transferor being either alone or jointly with any other person or persons

Indebted to the Company on any account whatsoever except a lien on the shares. If the Directors decline to register any transfer, they shall give notice of such refusal to the transferee and the transferor as required by Section 111 of the Act.

60. Every instrument of transfer of shares shall be in the form prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provision of Section 108 of the Act, from time to time.

Form of transfer

61. No fee may be charged for registration of transfer and transmission.

No fee to be charged for registration of transferee

62. No fee will be charged :

(a) For splitting up, sub-division and consolidation of shares and debenture certificates and for splitting up and sub-division of Letters of allotment and splitting, consolidation, renewal into denomination corresponding to the market units of trading as per Rules of Stock Exchange concerned.

Fees for splitting of consolidation etc.

(b) For sub-division of renunciation letters of rights.

(c) For issue of new certificates in replacement of those which are old decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilised.

(d) For registration of any Power of Attorney, probate of will Letters of Administration or similar other documents.

Provided that in case of splitting up and/or sub-division of shares other than the market units of trading as determined or as per prevailing Rules of Stock Exchange concerned, a fee of Rs. 2/- (two) per share certificate may be charged.

63. Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate of the shares to be transferred or if there is no certificate, the Letter of Allotment thereto and such other evidence as the Board may require to prove title of the transferor or his right to transfer the share. The Board may waive the production of any certificate upon evidence to them of its having lost or destruction. Every instrument of transfer which shall

Instrument of transfer to be left at office

be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.

Suspension of transfers

64. Subject to the provision of Section 154 of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.

Provided that, such registration shall not be suspended for more than thirty days at any one time or more than forty-five days in aggregate in any year.

Notice of refusal to registration of transfer

65. If the Board refuse, whether in pursuance of the Article 59 or otherwise, to register the transfer of, or the transmission by operation of law of the right to any share, the Company shall, within two months from the date on which the instrument of transfer or the intimation of such transmission as the case may be was lodged with the Company, send to the transferee and the transferer or to the person giving intimation of such transmission as the case may be, notice of such refusal.

Persons entitled to shares by transmission

66. The executors or administrators of a deceased member (not being one of several joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint-holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator, Board may require him to obtain a Grant of Probate or Letters of Administration or other legal representation as the case may be from some competent Court, Probate or Letter of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board in its absolute discretion may consider necessary.

Transfer of shares of insane minor, deceased or bankrupt member

67. Any committee or guardian of a lunatic or infant member or any person becoming entitled to transfer share in consequence of the death or bankrupt, insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of the title as the Board thinks sufficient may with consent of the Board (which it 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 transfer hereinbefore contained, transfer, such shares. This article is hereinafter referred to as 'The Transmission Article'.

68. Any Director may retain the dividend payable upon shares to which any person becomes entitled under Article 67 until such person or his transferee shall become a member in respect of shares.

Rights of
persons entit-
led to shares
by reason of
death etc.

69. (a) If the person becoming entitled to a share under Article 67 shall elect to be registered as a member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of shares.

(c) All the limitations, restrictions, and provisions of these Articles relating to the right to transfer and the registration of transfer as aforesaid as if the death, insanity, bankruptcy or insolvency of the member has not occurred and the notice of transfer were a transfer signed by that member.

70. A person so becoming entitled under the transmission Articles to a share by reason of the death, lunacy, bankruptcy or insolvency of a member shall subject to the provision of Article 106 or Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he was the member registered in respect of the share.

Provided that the Board may at any time notice requiring any such person to elect either to be registered himself or to transfer the shares and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the share, until the requirements of the notice have been complied with.

71. The Company shall incur no liability or responsibility whatever in consequence of its registering or to 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) to the prejudice of person having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice purporting to prohibit 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 a notice which may be given to it of any equitable right or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred

Company not
liable for disregard
of a notice
purporting prohibit
registration of
transfer

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

- No transfer to an infant or to unminid 72. No transfer shall be made to an infant or person of unsound mind.

SHARE WARRANTS TO BEARER

Issue of the share warrants

73. The Company may issue share warrants subject to and in accordance with the provisions of Section 114 and 115 of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time require as to the identification of person signing the application, and on receiving the certificates (if any) of the share, and the amount or stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
74. (1) The bearer of share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of the two clear days from the time of deposit, as if his name were inserted in the Register as the holder of the share included in the deposited warrant.
- (2) Not more than one person shall be recognised as depositor of the share warrant.
- (3) The Company shall, on seven days written notice, return the deposited share warrant to the depositor.
75. (1) Subject as herein otherwise provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend, or vote or exercise any other privilege of a member at meeting of the Company, or be entitled to receive any notices from the Company.
- (2) The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if they were named in the Register of members as the holder of the shares included in the warrant and he shall be member of the Company.

76. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARE INTO STOCK

77. The Company may by ordinary resolution :

Conversion of
paid-up share
into stock

- (a) Convert any paid-up shares into stock; and
- (b) re-convert any stock into paid-up shares of any denomination.

78. The holders of stock may transfer the same or any part thereof in same manner as, and subject to the same regulations, under which, the form which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit.

Transfer of
stocks

Provided that the Board may, from time to time fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

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

Power and
rights of stock
holders

80. Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words "Share" and "Share-holder" in those regulations shall include "Stock" and "Stock-holder" respectively.

Regulation to
apply to stock

BORROWING POWERS

81. The Directors may from time to time at their discretion raise or borrow any sum or sums of money for the purpose of the Company subject to the provisions of

Power to bor-
row

Section 292, 293 and 370 of the Act and may secure payment or repayment of same in such manner and upon such terms and conditions in all respects as may be prescribed by the Board in particular by the creation of any mortgage hypothecation pledge or charge in and over the Company's stocks bookdebts and other moveable properties.

Conditions on
which moneys
may be borrowed
by the Directors

82. The Directors may raise or secure the repayment 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 or any mortgage, charge or other security on the undertaking of the whole or any part of the Company, both present and future, including its uncalled capital for the time being or by giving, accepting or endorsing on behalf of the Company any promissory, notes, bills of exchange or other negotiable instruments and no debenture shall carry any voting right whether generally or in respect of a particular class of shares of business.

Delegation of
power

83. In any uncalled capital of the Company be included in or charged by any mortgage or other security, Board may, by instrument under the Company's seal, delegate the power under Section 292 of the Act to the person in whose favour such mortgage or security is executed or any other person in trust for him.

Issue at discount
etc or with special
privileges

84. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending at General Meetings of Company, appointment of Directors and otherwise debenture, debenture-stock, bonds of the securities may be made assignable free from any executives between the Company and the person to whom the same may be issued.

Instrument of
transfer for
Debentures

85. Save as provided in Section 108 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate of the refusal.

Notice of refusal
to register transfer

86. If the Board refuse to register the transfer of any debentures of the Company it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

Execution of
charge or mort-
gages by Board

87. If any Director or any other person shall become personally liable for payment of any sum preliminary due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or

any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable, as aforesaid, from any loss in respect of such liability.

88. The Directors may receive deposits on such terms and conditions and bearing interest of such rates as they may decide and fix and which may be made payable monthly, quarterly, half-yearly, or yearly subject to the notifications issued from time to time by the Department of Non-Banking Companies, Reserve Bank of India, if any.

Powers to
receive deposits

89. The Company may subject to the provisions of Section 208 of the Act pay interest on so much of the share capital as is for the time being paid-up as was issued for the purpose of raising money to defray the expenses of the construction of any work of building or the provision of any plant, which cannot be made profitable for a lengthy period.

Payment of Interest on Capital

PROCEEDINGS AT GENERAL MEETING

90. In addition to any other meetings, a general meeting of the Company shall be held within such interval as is specified in Section 166(1) of the Act and subject to the provision of Section 166(2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an Extra-Ordinary General Meeting.

When Annual
General Meeting
to be held.

91. The Board may, whenever it thinks fit, call an Extra-Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the directors present in India may call an Extra-Ordinary General Meeting in the same manner and as nearly as possible as that in which such a meeting may be called by the Board.

Calling of extra-
ordinary general
Meeting

92. The accidental Commission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive such notice shall not invalidate any resolution passed at any such meeting.

As to omission
to give notice

93. The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.

Circulation of
Members
resolutions

Quorum

94. No business shall be transacted at a General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five members present in person shall be the quorum for the meeting of the Company.

Passing of Resolution

95. Any act or resolution which, under these articles or the Act is permitted or required to be done or passed by the Company in General Meeting, shall be sufficiently so done or passed if effected by an ordinary resolution as defined in Section 189 (1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a specific majority or by special resolution as defined in Section 189(2) of the Act.

Chairman of the General Meetings

96. The Chairman of the Board shall be entitled to take the chair at every General Meeting. 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 members present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the members present shall choose one of their number entitled to vote to be the chairman of the meeting.

Dissolution and adjournment of General Meetings

97. If within half-an hour from the time appointed for the meeting a quorum be not present, the meeting if convened upon the requisition of members shall be dissolved but, in any other case, it shall stand adjourned to the same day in the next week, at the same time and place, and, if at such adjourned meeting, quorum be not present, those members who are present not being less than two shall be a quorum and may transact the business for which the meeting was called.

Votes by show of hands

98. Every question submitted to meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member.

A declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.

Adjournments of the General Meetings

99. The chairman of a General Meeting may 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. When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

100. At any General Meeting unless a poll is (before or on the declaration of the result of the voting on any resolution and on the show of hands) demanded by the Chairman or by at least five members present in person or by proxy or by any member or members present in person or by proxy and having not less than one-tenth of total voting powers in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid-up which is not less than one-tenth of the total sum paid on all the shares conferring that right, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the book 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 recorded in favour or against the resolution.

What is to be evidence of the passing of a resolution where poll not demands

101. (a) If a poll is demand as aforesaid it shall be taken forthwith. Poll on a question of adjournment or election of a Chairman of the meeting. Poll

- (b) The demand for a poll may be withdrawn at any time by person or persons who made demand.
- (c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, at least one of whom shall 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, to scrutinise the votes given on the poll and to report thereon to him.
- (d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll, a member entitled to more than one vote or his proxy or other persons 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.
- (e) The demand for a poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.

VOTES OF MEMBERS

Votes of members 102. Subject to any rights or restrictions for the time being attached to any class or classes or shares :

- (a) On a show of hands, every member present in person, shall have one vote; and
- (b) On a poll, the voting rights of members shall be as laid down in Section 87 of the Act.

Voting Rights of preferential shareholders

103. Except as conferred by Section 87 of the Act the holders of Preference shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with provisions of sub-section 2 of the Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision of Section 89 and sub-section(2) of Section 92 of the Act be in the same proportion as the Capital paid-up in respect of the preference share bears to the total paid-up equity capital of the Company.

Procedure where a Company is a member of the Company

104. Where a Company or body-corporate (herein-after called "member Company") is a member of the Company a person duly appointed by resolution in accordance with Section 187 of the Act to represent such member Company at a meeting of the Company, shall not by reason of such appointment, be deemed to be a proxy, and the production at the meeting of a copy of such resolution duly signed by the one Director of such member Company and certified by him as a true copy of the resolution shall on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the member Company or body-corporate which he represents, as that member Company or body-corporate could exercise if it were an individual member.

Vote by joint-holders

105. Where there are joint-registered holders of any shares any one of such person may vote at the 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 either personally or by proxy than one of the said persons so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrator of a deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

106. Any person entitled under the Transmission Article 67 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, which he purposes to vote he shall satisfy the Directors of the right to transfer such shares, or the Director shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non-compos-mentis he may vote whether on a show of hands or at a poll by his committee, curator benis or other legal curator and such last mentioned persons may give their votes by proxy on a poll. If any member is a minor, the vote in respect of his share may be given by his guardian. If more than one person claim to exercise the right of vote under this clause, the Chairman of the meeting may elect in his absolute discretion any one person and will accept his vote.

Vote in respect
of deceased
insolvent &
minor members

107. No member not present in person shall be entitled to vote on a show of hands, unless such members is a Company or corporation present by proxy or by a representative duly authorised under Section 187 of the Act, in which case such proxy or representative may vote on the show of hand as if he were a member of the Company.

Voting rights on
show of hands

108. On a poll, votes may be given either personally or by proxy or in the case of a Company, by a representative duly authorised as aforesaid.

Proxies permitted

109. Any member of a Company entitled to attend one vote at meeting of the Company shall be entitled to appoint another person (whether a member or not), as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.

Appointment of
Directors

110. The instrument of appointing a proxy shall be in writing, under the hand of the appointor or his attorney duly authorised in writing or, if such appointor is a body corporate under its common seal or the hand of its attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy. Any other proxy, shall be called a general proxy.

Instrument
appointing proxy

111. The instrument appointing a proxy and the power of Attorney or other authority (if any) under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument

Proxies to be
deposited at the
office

proposes to vote, and in default, the instrument of proxy shall not be treated as valid.

When vote by
proxy valid
through Authority
revoked

112. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the shares in respect of which the vote is given, provided no intimation in writing of the death insanity revocation or transfer shall have been received by the Company at the office before the meeting provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

Form of proxy

113. Every instrument appointing a special proxy shall as nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act.

Restriction on
Voting

114. No member shall be entitled to exercise any voting rights either personally or by proxy, at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercise any right of lien.

Admission or
rejection of votes

115. (a) Any objection as to the admission or rejection of a vote on a show of hands or on a poll made in due time shall be referred to the Chairman of the meeting who shall forthwith determine the same and such decision shall be final and conclusive.

(b) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

DIRECTORS

Number of
Directors

116. The number of Directors of the Company shall not be less than Three and not more than Twelve.

Sitting fees

117. Every Director shall be paid out of the funds of the Company by way of remuneration for his services not exceeding Rs. 250/- (Two hundred and fifty) for each meeting of Board of Directors or committee thereof attended by him as the Board may determine from time to time.

118. The following persons shall become and be the first directors of the Company: First directors

1. SUSHIL KUMAR AGARWALA
2. MISHRI MAL LODHA
3. NARENDRA KUMAR JAIN

119. Notwithstanding anything to the contrary contained in these Articles so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), the Industrial Credit and Investment Corporation of India Limited (ICICI) and West Bengal Industrial Development Corporation Limited (WBIDC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, and WBIDC or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, WBIDC or other Finance Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "the Corporation") continue to hold shares in the Company as a result of underwriting or direct subscription, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole time or non-whole time, (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

Appointment of
Nominee
directors
by financial
Institution

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription and the Nominee Director/s so appointed in exercise of the said power shall *ipso facto* vacate such office immediately after the money owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold shares in the Company.

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

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled to but if any other fees, commission moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s.

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

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

Increase of reduction in number

120. The Company in the General Meeting may subject to provisions of the Articles 116 and Section 259 of the Act by ordinary resolution increase or reduce the number of its Directors.

Power to appoint additional directors

121. The Directors shall have powers at any time and from time to time to appoint any other person as a Director either to fill up a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any Director so appointed shall hold office only until the conclusive of the next following Annual General Meeting of the Company but shall be eligible for re-election at such meeting.

122. Subject to the provisions of Section 313 of the Act or any statutory modifications thereof, the Board shall have power to appoint any person to act as alternate director for a director during the latter's absence for a period of not less than three months from the state in which meetings of the directors are ordinarily held and such appointment shall have effect and such appointee whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly; but he shall not require any qualification and shall *"ipso facto"* vacate office if and when the absent Director returns to the state in which meetings of the Board are ordinarily held or the absent director vacates office as a director.

Alternate
Directors

123. A Director need not hold any share in the Company in his name as his qualification but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of share in the Company.

Directors need
not hold any
qualification
shares

124. Unless otherwise determined by the Company in General Meeting each Director, other than the whole time paid Directors, shall be paid Rs. 250/- (Rs. Two hundred fifty) of (as may be decided by Board from time to time) for each meeting of the Board of Director or a committee thereof attended by him. The Directors may also be paid all the expenses as decided by the Board from time to time in attending the meeting of the Board or a Committee of Board.

Remuneration
of Director

125. In addition to the remuneration payable to the Directors under Article 124 hereof, the Directors may be paid all reasonable travelling, hotel and other expenses in attending and returning from the meetings of the Board of Directors of any Committee thereof or in connection with the business of the Company.

Expenses of
Directors

126. Subject to Sections 198, 309, 310 and 314 of the Act, if any Director or Directors being willing shall be called upon to perform extra service or to make any special exertion in going or residing outside the office for any of the purpose of the Company or in giving special attention to the business of the Company, the Board may remunerate such Director either by fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or substitution for any remuneration to which he may be ordinarily entitled.

Extra
remuneration
of Directors

127. The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by these presents for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum,

Directors may
act not-
withstanding
vacancy

or of summoning of general meeting of the Company, but for no other purpose.

128. (1) The office of a Director shall *"ipso facto"* become vacant if :

- (a) he is found to be unsound mind by a Court of Competent Jurisdiction; or
- (b) he applies to be adjudicated as an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (e) he fails to pay any call in respect of shares in 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; or
- (f) he absents himself from three consecutive meeting of the Board or from all meetings of the Board for a continuous period of the months, whichever is the longer without obtaining leave of absence from the Board; or
- (g) he (whether by himself or by any person for his benefit or his account) or any firm of which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
- (h) he acts in contravention of Section 299 of the Act; or
- (i) he becomes disqualified by an order of the Court section 203 of the Act; or
- (j) he is removed in pursuance of Section 284 of the Act; or
- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceases to hold such office or other employment in the Company; or
- (l) by notice in writing to the Company he resigns his office; or

(m) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of the provisions of sub-section (1) of Section 314 of the Act and by operation of that Section he is deemed to vacate office.

(2) Notwithstanding anything in clauses (c), (d) and (l) the disqualification referred in those clauses shall not take effect :

(a) for thirty days from the date of the adjudication or sentence :

(b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, until the expiry of seven days from the date on which such appeal or petition is disposed of; or

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

129. A director of the Company may be or become a director of any Company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise, and no such directors shall be accountable for any benefits received as director or member of such Company.

Directors may be directors of companies promoted by the Company

130. Subject to the provisions of Section 297, 299 to 301 of the Act, a director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such director or a firm in which such director or relative is a partner or which any other partner in such firm or with a private Company of which such Director is a member or Director be void, nor shall any Director so contracting, or being such member so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such director holding that office or of the fiduciary relation hereby established.

Conditions under which directors may contract with the Company

APPOINTMENT REMOVAL & ROTATION OF DIRECTORS

131. (a) At an Annual General Meeting at which a Director retires by rotation the Company may fill up the vacancy by appointing the retiring director or some

Vacancies to be filled in Annual - General Meeting

other person thereto. If the place of the retiring Director is not so filled 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 of 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 up the vacancy, the 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 re-appointment of such Directors has been put and lost; or
 - (ii) the retiring Director has, by a notice in writing addressed to the Company or the Board, expressed his unwillingness to be so re-appointed; or
 - (iii) he is not qualified or is disqualified for appointment; or
 - (iv) a resolution, whether special or ordinary is required for his appointment or re-appointment or re-appointment in virtue of any provisions of the Act; or
 - (v) the provisions to sub-section (2) of section 263 of the Act are applicable to the case.

Power to remove Directors

132. The Company may, subject to the provisions of Section 284 of the Act by ordinary resolution of which special notice according to Section 190 of the Act has been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his stead. A Director so appointed shall hold until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed the Board may at any time thereafter fill such vacancy under the provisions of Article 133.

Board may fill casual vacancies

133. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire, in the normal course the resulting vacancy may be filled by the Board at a meeting of the Board but any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been so vacated,

provided that the Board shall not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Article 132.

134. (a) At every Annual General Meeting one-third of such Director 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 member nearest to one-third shall retire from office. The retiring Director shall retain his office until dissolution of the meeting at which his successor is elected. An ex-officio Director shall not be liable to retire by rotation within the meaning of this Article.

Rotation &
Retirement of
Directors

(b) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between person who became Directors on the same day those to retire shall unless they otherwise agree amongst themselves, be determined by lot.

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

136. No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting, unless he or some other member intending to propose him has, not less than fourteen days and not more than two months before the meeting left at the office a notice in writing duly signed, signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be.

When candidate
for Office of
Director must
give notice &
consent in
writing

PROCEEDINGS OF DIRECTORS

137. (a) The Directors may meet together for the despatch of business, and may adjourn and otherwise regulate their meetings and proceedings as they may think fit.

Meetings of
Directors

(b) The Chairman, Director or any officer authorised by the Directors may call a meeting of the Board of Directors.

(c) Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions arising at any meeting shall be decided by a majority of votes and in case of any equality of votes the chairman shall have a second or casting vote.

138. (a) Notice of every meeting of the Board or a Committee thereof shall ordinarily be given in writing to every Director for the time being at his usual address.

Notices

- (b) It shall not be necessary to give notice of a meeting of Directors to any Director for the time being away from India.

Quorum

139. (a) Subject to Section 287 of the Act, a quorum for the meeting of the Board of Directors shall be one-third of its total strength (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 Director exceed or is equal to two-third of the total strength, the number of remaining Directors that is to say the number of Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time.

- (b) If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman shall appoint.

**Director may
summon meetings**

140. The Chairman may and on the requisition of a Director shall at any time, summon a meeting of the Board.

**Powers to appoint
Chairman**

141. The Directors may choose some one of their number to be Chairman and the Director so chosen shall continue as Chairman until otherwise determined by the Board. If at any meeting of the Board, the Chairman be not present within five minutes after the time appointed for holding the same the Directors present shall choose some one of their number to be Chairman of such meeting.

**Powers of the
Board meetings**

142. A meeting of board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles or the act for the time being vested in or exercisable by the Board.

**Power to appoint
committee and to
delegate powers**

143. Subject to the provision of Section 292 of the Act, the Board may from time to time delegate any of its powers to committee consisting of such member or members of their body, managers and other officers of the Company as it may think fit and may from time to time revoke such delegation. Any committee so formed shall, in exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such committee, consisting of two or more members shall be governed by the provisions hereinafter contained regulating the meeting 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 this Clause.

**Resolution
without Board
Meeting valid**

144. All acts done at any meetings of the Directors or of a Committee or by any person acting as a Director, shall notwithstanding that it may afterwards be

discovered that there were some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director or a member of a Committee.

145. Save for the purposes of Sections 262, 292, 297, 316, 372(5) and 386 of the Act a resolution shall be as valid and effectual as if it had been passed at a Meeting of the Directors or of the committee thereof duly called and constituted if it is 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 fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India and has been approved by such of the Directors or members as are then in India or by a majority of such of them, as are entitled to vote on the resolution.

Resolution
without Board
Meeting valid

POWERS OF THE BOARD

146. Subject to the provisions of the Act, control of the Company shall be vested in the Board, who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and to do; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting, provided, further, that in exercising any such powers or doing and such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act, or any other statute, or in the Memorandum of Association of the Company or in these Articles, or in any regulations made by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation has not been made.

147. The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act with regard to keeping of a foreign Register; and the Board may (subject to the provisions of those sections) make and vary such regulation as it may think fit in respect of the keeping of any such register.

Power to keep
foreign register

148. Every debenture or other instrument issued by the Company for securing the payment of the money be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture stock, bonds or other instruments or securities may be issued at a discount premium or otherwise

Debentures

and may be issued on a condition that they shall be convertible into any shares of any denomination, and with any special privileges as to redemption, surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting.

Directors may
pay commission

149. The Directors may at time pay or agree to pay commission to any person in consideration of the subscribing underwriting or agreeing to subscribe or underwrite (Whether absolutely or conditionally) any debentures of the Company, but so that if the commission shall be paid or be payable out of the capital the statutory condition and requirements shall be observed and complied with and the commission shall not exceed two and a half percent of the face value of the debentures.

Drawings etc.
of negotiable and
other instruments

150. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for the moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be, by managing Director or by such person and in such manner as the Board shall from time to time by resolution determine.

Management of
Company's
Affairs abroad

151. The Board may make such arrangements as may be thought fit for the management of the Company's affairs abroad and may for this purpose (without prejudice to the generality of their power) appoint local officer and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of, any instruments sealed therein shall be signed by such persons as the Board shall from time to time by writing under the seal appoint. The Company may also exercise the powers of keeping Foreign Register.

Specific powers
given to the
Directors

152. Without prejudice to the General powers conferred by these presents put subject however to Section 292, 293, 294, 295, 297 and 314 of the Act it is hereby expressly declared that the Directors shall have the following powers that is :

- (1) To pay the costs, charges, preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) 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 or other securities of the Company and any such shares may be issued either as fully paid-up thereon as may be agreed upon, and any such bonds, debenture or other securities may be either specific

charged upon all or any part of the property of Company and its uncalled capital or not so charged.

- (3) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (4) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company or in such other manner as they may think fit.
- (5) To appoint and in their discretion remove or suspend such managers, secretaries, experts and other officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit.
- (6) To appoint any person (whether incorporated or not) to accept, and to hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (7) To institute, conduct, defend, compound, refer to arbitration 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 in satisfaction of any debts, dues and of any claims or demands by or against the Company and act on behalf of the Company in all matters to bankrupts and insolvents and apply and obtain letters of administration, provided that the Board shall not except with the consent of the general meeting remit or give time for the repayment of any debt due by a Director.
- (8) To refer any claims or demands by or against the Company or to enter into any contract or agreement for reference to arbitration and to observe, enforce, perform, compound or challenge such awards and to take proceedings for the reverse of the same.
- (9) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.

- (10) To act as trustees in Composition of the Company's debtors.
- (11) To make, vary and repeal bye-laws for regulation of business of the Company and the duties of officers and servants.
- (12) Subject to the provisions of the Act and in particular subject to Sections 309 and 310 of the Act, to give a Director or any officer or any other person whether employed or not by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company.
- (13) At any time from time to time by power of Attorney under the seal of the Company, to appoint any person or persons to be the attorney of the Company in India or abroad for such purposes & with such powers, authorities and discretions and for such period and subject to such conditions as the Directors may from time to time think fit; and any such appointment may be made in favour of any Company, or the Members, Directors, Nominees or Managers of the Company or firm or otherwise in favour of fluctuating body of persons whether nominated directly or indirectly by the directors and any such power or attorney may contain such powers enabling any such delegates or attorneys as aforesaid sub-delegate all or any of the powers authorities and discretion for the time being vested in them.
- (14) With the sanction of the board 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 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 any such powers, convenient and provisions as shall be agreed upon or other agreements as may be thought fit.
- (15) In conformity with Section 293(1)(c) and 272 of the Act to invest and deal with any of the moneys of the Company in such manner as they may think fit and from time to time to vary to realise such investment.
- (16) To enter into all such negotiations and contracts, 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 purpose of the Company.

- (17) To act jointly or severally in all or any of the powers conferred on them.
- (18) To comply with the requirements of the Act or any other local law which in their opinion shall, in the interests of the Company be necessary or expedient to comply with.
- (19) To delegate all or any of the powers, authorities and discretions for the time being vested in them and in particular, from time to time to provide by the appointment of an attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manners as they may think fit.
- (20) To provide for the welfare of employees or ex-employees of the Company and the wives, widows and families of the dependants or connections of such persons by building or contributing to the building of houses dwelling or chawls or by grants of money, pensions, allowances, bonuses or other payment or by creating and from time to time subscribing or contributing to provident fund, and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions, recreations, hospitals and dispensaries and all other kinds of medical relief.
- (21) Subject to Section 293(1) (e) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, national, social, scientific, literary, educational, medical or other institutions the object of which shall have any moral or other claim for support or aid by the Company either by reason of locality of operation or of public and General utility or otherwise. But not intended to serve any political cause or purpose.
- (22) To open and deal with the current accounts, overdraft accounts and any other accounts with any bank or banks for carrying on business of the Company.
- (23) Subject to Section 293(1) (a) of the Act to sell or dispose any of properties of the Company to any person in consideration of cash payment in lump sum or by instalments or in return for any other service rendered to the Company.
- (24) To get insured any or all the properties of the Company and any or all the employees and their dependants against any or all risks.

- (25) To appoint and nominate any person or persons to act as proxy or proxies for the purpose of attending or voting on behalf of the Company at a meeting of any Company or association.
- (26) Subject to Section 294 of the Act to appoint purchasing and selling agents for the purchase and the sale of Company's requirement and products respectively.
- (27) Subject to Section 293 (1) (e) of the Act to give away in charity moneys received from any sources whatever or from any assets of the Company for any charitable purposes.
- (28) Before declaring any dividend to set aside such portion of the profit of the Company as they may think fit, to form a fund to provide for the pensions, gratuities or compensation or create a provident fund or benefit fund in such manner as the Directors may deem fit.
- (29) To realise, compound and allow time for the payment or satisfaction of any debts due to or by the Company and any claims or demands by or against the Company to arbitration and observe and perform the awards.
- (30) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem or pay off any such securities.

LOCAL MANAGEMENT

Local Management

153. The Directors may from time provide for the 'Management' and transaction of the affairs of the Company in any specified locality whether at home or abroad in such manner as they think fit, and the provisions contained in the three next following Articles shall be without prejudice to the general powers conferred by this Article but subject to the provisions of the Sections 292 to 297 of the Act.

Local Board Delegation

154. The Directors from time to time, and at any time may establish any local offices for managing any of the affairs of the Company in any such specified locality and may appoint any persons to be officers of such local offices, or any managers or agents, and may fix their remuneration. And the Directors from time to time, and at any time may subject to the provisions of Sections 292 to 297 of the Act delegate to any person so appointed any of the powers and

authorities and discretions for the time being vested in them and may authorise the members for the time being of any such local offices 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 conditions as the Directors may think fit and the Directors may at any time remove person so applied, and any annual or vary any such delegation.

155. The Director may at any time, and from time to time by powers of attorney under the Company's seal appoint any person or persons to be the attorneys of the Company for such purposes and subject to the provisions of Sections 292 to 297 of the Act with such powers, authorities and discretion not exceeding those vested in or exerciseable by the Directors under those presents and for such period and subject to such conditions as the Directors may from time to time think fit, and any such appointment may, if the Directors think fit be made in favour of the members or of any Company or of the members, directors, nominees or managers of the Company or firm or in favour of any fluctuating body persons, whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such provisions for the protection or conveniences of persons dealing with such attorneys as the Directors think fit.

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

Sub-delegation

MANAGING/WHOLE-TIME DIRECTORS

157. The Company by ordinary resolution or the Directors may, subject to the provisions of Sections 268 and 269 of the Act, from time to time appoint one or more of the Directors to be Managing Director or Managing Directors for a term not exceeding five years at a time or other whole time Directors of the Company and may from time to time subject to the provisions of any contract between him or them and the Company remove or dismiss him or them from office and appoint another or others in his or their place or places.

Appointment of
Managing
wholetime
Director

158. A Managing or whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation 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 provisions as to resignation and removal as the other Directors of the Company and he shall *'spo facto'* and immediately cease to be a Managing Director or wholetime Director if he ceases to be Director from any cause.

What provisions
he will subject to

159. Subject to the provision of Sections 309, 310 and 311 of the Act a Managing Director or whole-time Director shall, in addition to the usual remuneration payable to him as a Director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both provided that such percentage shall not exceed five percent for any one Managing or whole-time Director and ten percent for all of them together.

160. The Directors may, subject to the provisions of Sections 291 to 297 of the Act from time to time entrust to and confer upon a Managing Director or whole-time 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 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.

MANAGER

161. Subject to the provisions of the Act, the Board shall have powers to appoint or employ any person to be the Manager of the Company upon such terms and conditions as the Board think fit, and the Board may, subject to the provisions of Sections 291 of the Act vest in such manager such of the powers vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such periods, and upon such conditions and subject to such restrictions as it may determine, and at such remuneration as it may think fit.

Director may be
appointed as
manager

162. A Director may be appointed as Manager.

SECRETARY

Secretary

163. The Board may from time to time appoint or employ a person to be the secretary of the Company upon such terms, conditions and remuneration as it thinks fit to perform any functions which by the Act or the Articles for the time being of the Company are to be performed by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some person (who need not to be the Secretary) to keep the

registers required to be kept by the Company.

164. Subject to the provisions of the Act, a Director may be appointed as secretary.

Director may be appointed as Secretary

THE SEAL

165. (a) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Directors shall provide for the safe custody of the seal for the time being.

Directors to provide a common seal and its custody

(b) The Seal shall not be affixed to any instruments except in the presence of Two Directors or an officer duly authorised who shall sign every instrument which seal shall be affixed, provided, nevertheless, that any instrument other than a share certificate bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (Issue of Share Certificates, Rules, 1960, shall apply).

Use of Seal

(c) The Directors may provide for use in any territory outside India an official seal subject to the provisions of Section 50 of the Act.

Official Seal for use outside India

ANNUAL RETURNS

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

Annual Returns

RESERVES

167. Subject to the provisions of the Act the Board may from time to time, before recommending any dividend set apart any such portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or the liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company, and may, subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares in the Company) as it may think fit and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserves into such special funds as it thinks fit, with full power to employ

the reserves or any part thereof in the business of the Company, and that without being bound to keep the same separated from the other assets. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserves.

Investment of
the money

168. All money carried to the reserves shall nevertheless remain and be the profit to the Company applicable, subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other moneys of the Company not immediately required for the purposes of the Company may subject to the provisions of Sections 370 and 372 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or be kept at any Bank of deposit or otherwise as the Board may from time to time think proper.

CAPITALISATION OF PROFITS

Capitalisation

169. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve.
- (a) to capitalise whole or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto if distributed and in the same proportions.
- (2) The sum aforesaid shall not be aid in cash, but shall be applied, subject to the provisions contained in clause (3) either in or towards :
- (i) Paying up any amounts for the time being unpaid on any shares held by such members respectively.
 - (ii) Paying up in full, unissued shares, of the Company to be allotted and distributed, credited as fully paid-up, to be and amongst such members in the proportion aforesaid; or
 - (iii) Partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (ii).
- (3) A share premium account and a capital redemption reserve fund may, for the

purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

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

170. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall :

Board may make apportionments etc.

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

- (b) Generally do all acts and things required to give effect hereto.

(2) The Board shall have full power :

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

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

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

INTEREST OUT OF CAPITAL

171. Where any share are issued for the purposes of raising money to defray the expenses of the construction of any work or buildings, or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and the restrictions imposed by Section 208 of the Act and may charge the sum so paid by way of

Interest out of capital

interest to Capital as part of the cost of construction of the work or building or the provisions of plant.

DIVIDENDS

How profit shall
be divisible

172. Subject to the right of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Share of the Company but so that holder of partly paid-up share shall be only entitled to such a proportion of the distribution upon a fully paid-up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms of providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid up in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

Dividends

173. 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.

Declaration of
Dividends

174. The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.

Amount of
Dividends

175. No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a similar dividend.

Dividends out of
profits only

176. No dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central or State Government for the payment of dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.

Interim dividend

177. The declaration of the Board as to the amount of net profits of the Company shall be conclusive, subject to the provisions of the Act.

178. The Directors, if in their opinion, the position of the Company justifies may from time to time without the sanction of a general meeting pay interim dividend to one or more classes of shares to the exclusion of others at rates which may differ from class to class and when declaring such dividend they shall

satisfy themselves that the preference shares which have prior claim in respect of payment of dividend shall have their entire rated dividend at the time of final preparation of the accounts for the period.

179. No member shall be entitled to receive payment of any dividend in respect of his share or shares whilst any money may be due or owing from him as is presently payable to the Company in respect of such share or shares or otherwise on account of any debts, liabilities or engagements of the members of the Company, either alone or jointly with any other person or persons, and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company. Debits may be deducted
180. Any general meeting declaring a dividend may adjust a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the Company and the member, be set off against the debt. The making of a call under this Article shall be deemed ordinary business of an ordinary meeting which declares dividend. Dividend all together
181. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the Company. Effect to transfer
182. The Directors may retain in the dividends payable upon shares in respect of which any person is under the Transmission Article 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 thereof or shall duly transfer the same. Retaining of dividend under Transmission clause
183. The Directors may retain any dividend on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retaining of dividend on which the Company has lien
184. Any one of several persons who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares. Joint-holders
185. Notice of any dividend whether interim or otherwise shall be given to the person entitled to share therein the manner hereinafter provided. Notice of any Dividend

Payment by post 186. Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the register in respect of the joint-holding or to such person and at such address as the member or person entitled or such joint-holders as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint-holders as the case may be may direct.

Unclaimed dividends 187. Any dividend unclaimed shall be deposited in accordance with the provisions of the Act.

188. The Company shall not be responsible for the loss of any cheque dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant of the fraudulent recovery thereof by any other means.

BOOKS AND DOCUMENTS

Books of account to be kept 189. The Director shall cause to be kept in accordance with Section 208 of the Act proper, books of accounts with respect to :

- (a) all sums of money received and spent by the Company and the matters in respect of which the receipt and expenditure take place.
- (b) all sales and purchases of goods by the Company.
- (c) the assets and liabilities of the Company.

Inspection by Members 190. The books of accounts shall be kept at the office or at such other place as the Board thinks fit, and shall be open to inspection by the Directors during business hours.

191. The Directors shall from time to time, subject to the provisions of Sections 163, 196 and 219 of the Act determine whether and to what extent and at what time and places and under what conditions, the documents and registers or any of them maintained by the Company of which inspection is allowed by the Act shall be kept open for the inspection of the members. Till decided otherwise by

the Board such documents and registers shall be kept open, for inspection to the persons entitled thereto between 11 A.M. to 1 P.M. on all working days. No member (not being a Director) shall have and right to inspection of any account or book or documents of the Company except as conferred by law or by Act or authorised by the Directors, or by resolution of the Company in general meeting and no member, not being a Director shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret process of or used by the Company.

AUDIT

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| 192. Once at least in every year the books of accounts of the Company shall be examined by one or more Auditor or Auditors. | Audit |
| 193. The Company at each Annual General Meeting shall appoint an auditor or auditors to hold office and until the next Annual General Meeting and their appointment remuneration. Rights and duties shall be regulated by Section 224 to 227 of the Act. | Appointment of Auditors etc. |
| 194. Where the Company has a branch office, the provisions of Section 228 of the Act shall apply. | Branch Audit |
| 195. All notices of, and other communication relating to any General Meeting of the Company which any member of the Company is entitled to have been 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 an Auditor. | Rights of auditor to attend general meeting |
| 196. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company. | Auditors' Report to be read. |
| 197. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive in respect of transactions of the Company for the relevant year. | When account to be deemed to be settled |

SERVICE OF NOTICE AND DOCUMENTS

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| 198. The Company shall comply with the provisions of sections 53, 172 and 190 of the Act as to the serving of notices. | Service of documents and notices to members |
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- Accidental omission not to invalidate** 199. The accidental omission to give notice to, or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- Transferees etc. bound by prior notice** 200. Every person who by operation of law, transfer of other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register, shall be duly given to the person from whom he derives his title to such share.
- Mode of signature** 201. The Signature to any notice to be given by the Company may be written printed or lithographed.
- Notice valid through Member deceased** 202. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member be then deceased, be and whether or not the Company has share whether registered solely or jointly with other persons, until some other person be registered in his stead as the member in respect thereof and such service for all purposes of the Articles be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.
- When notice may be given by advertisement** 203. Any notice required to be given by the Company to the members of any of them and not expressly provided for these Articles or by the Act shall be sufficiently given if given by advertisement.
- How to be advertised** 204. Any notice required to be or which may be given by advertisement shall be advertised one in or more newspapers circulating in the neighbourhood of the registered office.
- When notice by advertisement deemed to be served** 205. Any notice by advertisement shall be deemed to have been given on the date on which the advertisement shall first appear.

RECONSTRUCTION

- Reconstruction** 206. On any sale of the whole or any part of the undertaking of the Company the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other Company, whether incorporated in India or not either then existing or to be formed for the purchase in the whole or in the part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding up) may distribute such shares or securities, or any

other property of the Company amongst the members without realisation, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of cash shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the member contributories of the Company, and for the valuation of any such securities or property at such price and in such manner at the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act, be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto save only in case the Company is proposed to be or is in course of being wound up and subject to the provision of Section 494 of the Act as are in capable of being varied or excluded by these Articles.

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| <p>207. On winding Preference Share will rank as regards Capital in priority to Equity Shares, to the extent of the paid up value of the said shares but to no other rights of participating in its assets.</p> | <p>Rights of
performance
share-holders</p> |
| <p>208. (1) Subject to the provisions of the Act, if the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Act divide amongst contributories in specie of kind the whole or any part of the assets of the Company whether they shall consist of property of the same kind or not.</p> <p>(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members of different classes of members.</p> <p>(3) The liquidator may, with the like sanction of a special resolution, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories or any of them as the liquidator shall think fit.</p> | <p>Distribution of
assets in specie</p> |
| <p>209. (1) In the event of the Company being wound up the holder of preference shares, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repaying to them the amount paid up to the preference shares held by them respectively and any arrears of dividend up to the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid up on the preference shares and arrears of dividend, such assets shall be distributed amongst the holders of preference shares that the losses shall</p> | <p>Distribution of as-
sets</p> |

be borne by the holders of preference share as nearly as may be in proportion to the capital paid up which ought to have been paid up on the shares held by them at the commencement of the winding up and the arrears of dividend as aforesaid.

- (2) The assets, if any, available for distribution after payment to the preference share-holders as aforesaid shall be distributed amongst the holders of Equity Shares in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares in respect of which they were respectively registered.
- (3) This article is to be without prejudice to the right and privileges amongst holders of preference shares of different series.

SECRECY

Secrecy

210. Subject to provisions of Section 635B of the Act, every Director, Manager, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its 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 Board or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

No member to enter the premises of the company without permission

211. No member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or subject to Article 191 to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and within the opinion of the Directors it will be expedient in the interest of the members of the Company to communicate.

INDEMNITY

Indemnity

212. Every Director, Managing Director, Manager, Secretary or Officer of the Com-

pany or any person (whether an officer of the Company or not) employed by the Company and any person appointed by the Company as Auditor shall be indemnified out of the assets of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Secretary, Officer or Auditor in defending any bonafide proceeding, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

213. Save and except so far as the provisions of these articles shall be avoided by Section 201 of the Act, the board managers, auditors, secretary and other officers or servants for the time being of the Company and trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them and every one of their executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their executors or administrators shall sustain by reason of any act done, concurred in or committed in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through or by their own wilful neglect or default respectively, and none of them shall be answerable for the act, receipts, neglects or default of the other or others of them or for joining in any receipt for the sake of conformity or for any bankers or other persons with whom any money or effects belonging to the Company shall be deposited or for insufficiency or deficiency or any security upon which any moneys of or belonging to the Company shall be placed or invested or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto unless the same shall happen by or through their own wilful neglect or default respectively.

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

Signature, Names, Addresses, Father's name, description and occupation of subscribers	Total Number of Equity shares to be taken by each subscriber	Names, Address and description of witness
AZAD SINGH S/o. Shri Bader Singh 44, Tilik Khand Giri Nagar Kalkaji, New Delhi-19 Service	10 (Ten)	Witness to all the Signatories KRISHAN KUMAR KHADARIA Chartered Accountants S/o. Shri Raghunath Prashad Khadaria 111-C, Mittal Tower Nariman Point Bombay-21
L. N. MAHESHWARI S/o. Sri Durga Prasad Maheshwari 805, Brahmanpuri Maheshwari Bhawan Kosikalan (Mathura) Pin-281403 Service	10 (Ten)	
ASHOK KUMAR S/o. Dalip Chand 44/10, Ashok Nagar New Delhi-18 Business	10 (Ten)	
SUDHIR KUMAR S/o. Shri N. L. Savita Sec. III-701 M. B. Road Pushpavihar New Delhi-17 Service	10 (Ten)	
DEEPAK CHAKRAVARTI S/o. D. C. Chakravarti AB-912, Sarojini Nagar New Delhi-23 Service	10 (Ten)	
BIR BAHADUR MISHRA S/o. Hardev Mishra Harkesh Nagar G-71, Okhala Estate New Delhi-20 Service	10 (Ten)	
C. HARIDAS NAMBIAR S/o. Late K. Ramani Nair 111-C, Mittal Tower Nariman Point Bombay-21 Service	10 (Ten)	
Total	70 (Seventy)	

Bombay Dated 2nd day of January 1985.



GOVERNMENT OF INDIA
COMPANY LAW BOARD
EASTERN REGION BENCH

9, OLD POST OFFICE STREET
(6TH FLOOR) CALCUTTA-700001
PHONE NO. 248-6330

No.: CLB/ERB/CAL/4(86)/96

Dated: 15.01.1997.

To

M/s. AVON MERCANTILE LTD.
158, Lenin Sarani, 3rd Floor, Calcutta-700013

Sub. : M.A. No. of 199
O.P. No. 311(17)/ERB/ of 1996 of M/s. Avon Mercantile Ltd.
Petition under Section 17 of the Companies Act, 1956 Certified copy of the order.

Ref. :

Order : Dated 18th December, 1996

Sir/Sirs,

With reference to the above, I am to forward herewith one certified copy of the order of the Company Law Board, Eastern Region Bench, at Calcutta, in the above case as required under Regulations 29(3) of the Company Law Board Regulations, 1991. Please acknowledge receipt of the same.

If you require any extra copy, such copy shall be supplied on payment of Rs.5/- (five) per page and a non-judicial stamp paper of Rs.10/- (ten) for each certified copy. The payment of the fee may be made according to Rule 4 of the Company Law Board (Fees on application & Petition) Rules, 1991. Demand Draft/Bank Draft/Pay Order should be made in favour of "Pay & Accounts Officer, Department of Company Affairs, Calcutta". A Court Fee Stamp of 25 paise should be affixed on the application.

Yours faithfully,

Sd/-
(P. K. Acharjee)
Bench Officer

Encl.: As stated.