

Handwritten notes or initials in the top right corner.

*Lawrence*  
COMPANY SECRETARY

MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
GRAUER & WEIL (INDIA) LIMITED

No. 10975



**CERTIFICATE OF CHANGE OF NAME**

In the OFFICE of the REGISTRAR OF COMPANIES UNDER  
THE COMPANIES ACT, 1956

IN THE MATTER OF GRAUER & WEIL (INDIA) PRIVATE LIMITED

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and under order of the Central Government, Conveyed by the Ministry of Finance, C & I Department of Company Law Administration by ~~the name of~~ Regional Director Western Region

in his letter No. RD:12(37)/60- Change dated the 1st February, 1961

to the address of Grauer & Weil (India) Private Limited  
547 Kavarana Building,  
Kalbadevi Road, Bombay 2.

the name of Grauer & Weil (India) Private Limited

has this day been changed to Grauer & Weil (India) Limited

and that the said Company has been duly incorporated as a Company under the provision of the said Act.

Dated this Fourth day of February one thousand nine hundred and Sixty one. (15th Magha, 1882)

J. S. C.-7. mp.

MFP-1018 JSC-12407-(C-1063)-26-8-57-6,000.

( J.G.Gatha )  
Asstt. Registrar of Companies.  
Maharashtra.

209



Form I. R.

**Certificate of Incorporation.**

No. 10975 of 19 57-58.

I hereby certify that "GRAUER & WEIL (INDIA) PRIVATE 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 TWENTY-FIFTH day of NOVEMBER

One thousand nine hundred and FIFTY-SEVEN.

S Venkataraman  
(S. VENKATARAMAN)  
Registrar of Companies.  
BOMBAY.

J.S.C. 1

vvk. 25.\*

**CERTIFIED TRUE COPY**

For GRAUER & WEIL (I) LTD.

COMPANY SECRETARY

OF

**GRAUER & WEIL (INDIA) LIMITED**

- I. The name of the company is " GRAUER & WEIL (INDIA) LIMITED". Name
- II. The Registered Office of the Company will be situated in the state of Mumbai. Registered Office.
- III. The objects for which the Company is established are :- Objects
  - (1) To adopt and carry into effect with or without modifications agreement made between Messrs Grauer & Weil Limited, a company incorporated under the English companies Act, 1908 and 1917 and whose registered office is situate 3/4 Hardwick Street, London, of the one part and Mr. K. C. Shah and Mr. R. M. Shah of Messrs. K. Ramanlal & Co. on behalf of this Company of the other part for the exclusive grant of letters patent, techniques, processes, formulae, designs, and other rights, benefits and obligations, on the terms and conditions therein specified, for which the Company has been floated.
  - (2) To manufacture, purchase, sell, deal in or otherwise dispose of buffing, polishing, finishing compositions, polishing Bobs, Mops and brushes, polishing plants and components, electroplating plants, equipment and chemicals, abrasives, abrasive materials, all coating, insulating, protective and decorative finishing lacquers, thinners, varnishers, enamels, and metal powders and other chemical products, substances, materials, plants, apparatuses, implements, instruments and tools, and things that may be usefully or conveniently combined with the chemical engineering or manufacturing business of the Company.
  - (3) To carry on the business of the manufacturers of and dealers in chemicals and chemical products of any nature and kind whatsoever.

- (4) To carry on the business of manufacturers of and dealers in all types of packing materials and containers and as packers and distributors.
- (5) To carry on any trade, agriculture, business, manufacture, venture or commercial operation in India or in any other part of the world in connection with any merchandise, commodities, goods, wares, produce, products, articles, and things, and to purchase or otherwise acquire and to sell or otherwise dispose of or deal in, either for future or ready delivery, and either absolutely or conditionally, or to manufacture or do work upon any merchandise, commodities, goods, ware, produce, products, articles and things dealt or traded in by the Company, and to cover any such purchases or sales by options, cross contracts or otherwise.
- (6) To produce, manufacture, use and or otherwise acquire, sell, distribute, deal in and dispose of all articles, substances, products, appliances, apparatus, and things of every class or description capable of being used in the attainment of the aforesaid objects and to do all such other things as are incidental or conducive to the attainment thereof.
- (7) To establish, provide, maintain and conduct or otherwise subsidised research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical researches, experiments and tests of all kinds, and to promote studies and economic markets and researches, both scientific and technical investigation and invention by providing, subsidising, endowing, or assisting laboratories, workshops, libraries, lectures, meetings, and conferences, and by providing the remunerations for scientific or technical professors or teachers, and by providing for the award of exhibitions, scholarships, prizes, grants to students, and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the businesses which the Company is authorised to carry on.

- \* (8) (a)** To carry on the business of undertaking, establishing, developing, redeveloping, operating, modifying and maintaining any passenger / cargo airport, to establish and run an academy / institute primarily for the purpose of training pilots, engineers, technicians, air hostesses, pursers and other allied and incidental staff and also to own, operate, maintain, hire out, give and acquire on wet/dry lease any type of air crafts, helicopters and other modes of air travel and/or transport.
- (b)** Generally, to carry on or assist or participate in any trade, business, enterprise or activity, of whatever nature which may seem capable of being conveniently carried on, in connection with any trade, business, enterprise or activity of the company or which under the existing circumstances may be conveniently or advantageously combined with the business of the company or which directly or indirectly may promote the interest of the company or to enhance the value of or render profitable any of the Company's property or rights or which may be subsidiary or auxiliary to any of the Company's objects.
- (9)** To transact and carry on all kinds of agency business and to act as managing agents of any Company or concern
- \* (10)** To carry on any other, trade, business, enterprise or activity which under prevailing / existing circumstances may conveniently or advantageously be combined with the business or objects of the company or calculated or indirectly to enhance the value of or render profitable any of the Company's property or rights or which may be subsidiary or auxiliary to any of the Company's objects.
- (11)** To establish and maintain agencies at any place or places in India or other parts of the world for the conduct of the business of the Company, or for the purchase or / and sale of any merchandise, commodities, goods, wares, materials, produce products, articles and things required for or dealt in, or manufactured by, or at the disposal of the Company and transact all kinds of agency business.
- (12)** To apply for, purchase or otherwise acquire and protect, prolong and renew, whether in India or elsewhere any patents, patent rights, brevets d'invention, licenses, protections, concessions, and the like, conferring any exclusive or limited right to any inventions, secrets, or other information which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem directly or indirectly to benefit the Company, and to use, exercise, develop, manufacture, or grant licences or

privileges in respect of or otherwise turn to account, any patents, property, rights, inventions, secrets, know-how or information so acquired, and to spend money in experimenting upon, testing, improving, or seeking to improve the patents, property, rights, inventions, secrets, or information so acquired or proposed to be acquired.

- (13) To acquire by concessions, grant, purchase, barter, lease licence or otherwise absolutely or conditionally and either alone or jointly with others any lands, building, machinery, plants, utensils, moveable and immoveable property of any description, and any patents, trade marks, concessions, privileges and other rights for the objects and business of the Company, and to construct, maintain and alter any buildings or works necessary or convenient for the purpose of the Company and to pay for such lands, buildings, works, property or rights or any other property or rights, purchase or acquired by or for the Company by shares, debentures, debenture stocks, bonds, or other securities of the Company, or by cash or otherwise and to manage, develop, sell, let on lease or for hire, or otherwise dispose of or turn to account the same, at such time or times and in such manner and for such consideration as may be deemed proper or expedient.
- (14) To buy, sell, manufacture, plant, cultivate, produce, prepare, treat, repair, alter, manipulate, exchange, hire, let on hire, import, export, dispose of and deal in all kinds of articles and things (whether specified in this Memorandum or not) which may be required for the purpose of any of the business which the Company is expressly or by implication authorized by this Memorandum to carry on or which are commonly supplied or dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection with any of the said businesses.
- (15) To construct, carry out, maintain, improve, manage, work control, develop and superintend any factories, works warehouses, stores and mills, machinery, building and other works and conveniences, which may seem directly or indirectly conducive to any of the objects of the Company.
- (16) To conduct all or of the several operations connected with the importing, exporting, purchase, sale, manufacture, packing, warehousing, consignment, shipment, transshipment, and dispatch of goods, commodities, merchandise, articles and chattels of all and any kind of description.

- (17) To enter into arrangements with any Government, States, or authorities, supreme, municipal, panchayat, local or otherwise that may seem conducive to Company's objects or any of them and to obtain from any such Governments or States any rights, privileges and concessions which the Company think it desirable to obtain and carry out, execute and comply with any such arrangements, rights, privileges and concessions.
- (18) To let, mortgage, charge, sell or otherwise dispose of any property of the Company absolutely or conditionally and in such manner and upon such terms and conditions in all respects as may be thought fit and to accept payment or satisfaction for the same in cash or otherwise.
- (19) To promote and form and to be interested in and take, hold and dispose of shares in other companies and to transfer to any such Company any property of this Company and to take or otherwise acquire, hold and dispose of shares, debentures, and other securities in or of any such Company and to subsidise or otherwise assist any such Company.
- (20) To pay for any properties, rights, and privileges acquired by this Company or for services rendered to this Company either in shares of the Company or partly in shares and partly in cash or otherwise and to give shares or stock of this Company in exchange for shares or stock of any other Company or otherwise as may be expedient.
- (21) To acquire and take over as a going concern any existing business or concern carrying on any of the business aforesaid for such consideration whether in cash or shares or securities of the Company as may be thought expedient, and also to acquire, promote and foster, subsidise or acquire interest in any industry or undertaking in any country or countries whatsoever.
- (22) To amalgamate, enter into partnership or into any arrangement for sharing or pooling profits, amalgamation, union of interest, co-operation, joint adventure, reciprocal concessions or otherwise with any person, firm or company whether in India or outside India carrying on or engaged

in or about to carry on or engaged in any business, or transaction which the Company is authorised to carry on or engaged in or any business, undertaking or transaction capable of being carried on or conducted so as directly or indirectly to benefit this Company.

- (23) To invest and deal with the monies of the Company in such manner as may from time to time be expedient or be determined.
- (24) To invest money on the security of any property moveable or immoveable and generally make advances of such sum or sums of money upon or in respect of or for the purchases of raw materials, goods, machinery, stores, or any other property, articles and things required for the purpose of the Company with or without security and upon such terms and subject to such conditions as the Company may deem expedient.
- (25) To issue, debentures, debenture stock, bonds, obligations and securities of all kinds, and to frame, constitute and secure the same, as may seem expedient with full powers to make the same transferable by delivery or by instrument of transfer or otherwise and either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deeds, or otherwise on the undertaking of the Company or upon specific property and rights, present or future of the Company (including if thought fit, uncalled capital), or otherwise howsoever.
- (26) To remunerate any persons or firms or companies for services rendered or to be rendered in placing of any shares in the Company's capital or any debentures, debenture stocks or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of any rights or property by the Company or the conduct of its business or otherwise in whatsoever manner or respect and to provide for the payment of such remuneration in cash or by the issue or allotment of shares, debentures or other securities of the Company or by the granting or options to take the same in any other manner allowed by law.



- (27) To borrow or raise or secure the payment or to receive money on deposit at interest merely for the purpose of the Company, and at such time or times and in such manner as may be thought fit and in particular by the issue of debenture, or debenture stock and as security for any such money so borrowed raised or received or of any such debenture or debenture stock so issued to mortgage, pledge, or charge the whole or any part of the property as sets or revenue and profits of the Company present or future, including its uncalled capital, by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase redeem and pay off any such securities.
- (28) To mortgage, hypothecate, pledge, all or any of the property whether moveable or immoveable of any description whatsoever and other valuable securities of the Company.
- (29) To pay the cost, charges and expenses preliminary and incidental to the formation, establishment and registration of the Company and advertisement and to remunerate any person or company for services rendered.
- (30) To pay, satisfy or compromise any claim made against the Company which may seem expedient to pay, satisfy or compromise.
- (31) To draw, make, accept, endorse, discount, execute, issue, negotiate, assign, purchase, sell and otherwise deal in cheques, drafts, promissory notes, bills of exchange, hundies, debentures, bonds, bills of lading, railway receipts, warrants and all other negotiable or transferable instruments.
- (32) To open an account or accounts with any individual, firm or company or with any bank or banks or bankers or shroffs and to pay into and to withdraw money from such account or accounts.
- (33) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of this Company.

- (34) To expend in experimenting upon and testing and improving or securing any process or processes, copy rights, patents or protecting any invention or inventions or copy rights which the Company may acquire or propose to acquire or deal with.
- (35) To create any reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation, for repairing, improving, extending or maintaining any of the properties of the Company or for any other purposes conducive to the interests of the Company.
- (36) To distribute in pieces any property of the Company amongst the members.
- (37) To distribute as dividend or bonus among the members or to place to reserve or otherwise and to apply as the Company may from time to time think fit, any monies received by way of premium on shares or debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares, any monies arising from the sale by the Company of forfeited shares or from unclaimed dividends.
- (38) To make donations to such person or institutions and whether of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to this Company and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences for the benefit of the employees or of persons having dealings with the Company or the dependents, relatives or connections of such persons to grant pensions, allowances, gratuities and bonuses and to make payments towards insurance and to form and contribute to provident and benefit funds of or for such persons.
- (39) To aid pecuniarily or otherwise any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problem of the promotion of industry or trade.

- (40) To procure the incorporation, registration or other recognition of the Company in any country, State or place outside India, and to establish and maintain local registers and branch places of business in any part of the world.
- (41) To sell, improve, alter, manage, develop, exchange, lease mortgage, enfranchise, dispose of, turn to account, or otherwise deal with all or any part of the land, properties, assets and rights and generally the resources and undertakings of the Company, in such manner and on such terms as the Directors may think fit.
- (42) To do all or any of the above things in any part of the world whether alone or in conjunction with others and either as principals, agents, contractors, trustees or otherwise and to allow any property to remain outstanding with such agents or trustees.
- (43) To do all such things that are incidental or conducive to the attainment of the above objects AND IT IS HEREBY DECLARED that the word "Company" in this clause shall be deemed to include any authority, partnership or other body or persons whether incorporated or unincorporated and whether domiciled in India or elsewhere and the intention is that each of the objects specified in the several paragraphs of this Memorandum shall be regarded as Independent objects and accordingly shall be in nowise limited or restricted in its application (except when otherwise expressed in such paragraph) by reference to objects in any other paragraph or the name of Company but may be carried out in as full and ample a manner and construed and applied in as wide a sense as if each of the said paragraph defines the objects of the separate distinct and independent Company.

Provided that nothing contained herein shall be deemed to authorise or permit the Company to transact any business to which the Banking Companies' Act or the Insurance Act applies.

IV. The liability of the members is limited

Liability  
of Members  
Limited

\*V. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided in to 50,00,00,000 (Fifty Crores) Equity Shares of Re. 1/- (Rupee One) each

.....  
Capital

The Shares in the capital of the Company for the time being whether original or increased may be divided into several classes with any preferential, deferred, qualified or other special rights, privileges, conditions or restrictions attached thereto, whether in regard to dividend, voting, return of capital or otherwise. The Company shall have power to issue redeemable Preference Shares.

The right of the holders of any class of shares forming part of the capital for the time being of the Company may be modified, affected, varied, extended or abrogated in such manner as is or may be provided by the Articles of Association of the Company as originally registered or as altered from time to time.

***\* Altered by passing Resolutions in the 53<sup>rd</sup> Annual General Meeting of the Company held on 30-09-2011.***

We, the several persons whose names and addresses and descriptions are hereunder 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 respectively names.

Name of Subscribers	Description and Addresses of the subscribers	No. of Shares taken by each Subscriber.	Witness
(1) Kanchanalal C. Shah	547, Kalbadevi Road, Bombay-2.	FIVE	JETHALAL
(2) Ramanlal M. Shah.	----- do -----	FIVE	----- do -----

Dated this 13th day of November 1957.

THE COMPANIES ACT, 1956  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
**GRAUER & WEIL (INDIA) LIMITED**

1. No regulations contained in Table A in the First Schedule to the Companies Act, 1956, shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to, its regulations by Special Resolutions, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

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

### INTERPRETATION

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2. In the interpretation of these Articles, unless repugnant to the subject or context: -

Interpretation Clause.

"The Company" or "this Company" means "Grauer & Weil (India) Limited."

"The Company or "this Company"

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

"The Act."

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

"Auditor."

"Board" means a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at a Board.

"Board"

"Capital" means the share capital for the time being, raised or authorised to be raised, for the purposes of the Company.

"Capital."

"Debenture" includes Debenture Stock.

"Debenture"

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

"Director."

"Secretary" includes a temporary or assistant Secretary and any person or persons appointed by the Board to perform any of the duties of a Secretary.

"Dividend"	"Dividend" includes bonus and interim dividend.
"Gender"	Words importing the masculine gender also include the feminine gender.
"In writing" and "Written"	"In writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.
"Member"	"Member" means the duly registered holder, from time to time, of the shares of the Company and includes the subscribers to the Memorandum of the Company.
"Meeting" or "General Meeting"	"Meeting" or "General Meeting" means a meeting of Members."
"Annual General Meeting"	"Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act.
"Extraordinary General Meeting"	"Extraordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.
"Month"	"Month" means a calendar month.
"Office"	"Office" means the Registered Office for the time being of the Company.
"Paid up"	"Paid up" includes credited as paid up.
"Persons"	"Persons" includes corporations and firms as well as individuals.
"Register of Members"	"Register of Members" means the Register of Members to be kept pursuant to the Act.
"The Registrar"	"The Registrar" means the Registrar of Companies, Maharashtra.
"The Secretary"	"The Secretary" includes a temporary or assistant Secretary and any person or persons appointed by the Board to perform any of the duties of a Secretary.
"Seal"	"Seal" means the Common Seal for the time being of the Company.
"Share"	"Share" means share in the share capital of a Company and includes stock except where a distinction between stock and shares is expressed or implied.
"Singular Number"	Words importing the singular number include, where the context admits or requires, the plural number and vice versa.
"Special Resolution"	"Special Resolution" shall have the meaning assigned thereto by section 189 of the Act.
"Year" and "Financial Year"	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.
"Marginal Notes"	The marginal notes used in these Articles shall not affect the construction thereof;

Save as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## CAPITAL AND INCREASE AND REDUCTION IN CAPITAL

3. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of Re. 1/- (Rupee One) each.

.....  
Amount of  
Capital

- 1) Equity Share Capital :
  - (i) With Voting Rights ; or
  - (ii) With differential rights as to dividend, voting or otherwise as may be prescribed under the provisions of the section 86 or any other provision of the Companies Act, 1956 or such other rules, regulations governing the matter from time to time.
- 2) Preferential Share Capital.

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

Increase of  
Capital by the  
Company, and  
how called  
into effect

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

New Capital  
same as  
existing  
capital.

6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference Shares which are or at the option of the company are to be liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions or redemption.

Redeemable  
Preference  
Shares

\* Altered by passing Resolutions in the 53<sup>rd</sup> Annual General Meeting of the Company held on 30-09-2011.



Provisions to  
apply on issue  
of Redeemable  
Preference  
Shares.

7. On the issue of Redeemable Preference Shares under the provisions of Articles 6 hereof the following provisions shall take effect:-

- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
- (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.

Reduction of  
Capital.

8. The Company may (subject to the provisions of Sections 78, 80 and 100 to 105 inclusive, of the Act) from time to time, by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or premium account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Sub-division  
and consolida-  
tion of shares

9. Subject to the provisions of Section 94 of the Act the Company in General Meeting may, from time to time, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division one or more of such shares shall

have some preference or special advantage as regards dividend capital or otherwise over or as compared with the others or other. Subject as aforesaid the Company in General Meeting may also cancel shares which 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.

10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is dividend into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate General Meeting of the holders of Shares of that class, or with the sanction of a special resolution passed at a seperate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meetings shall, mutatis mutandis, apply to every such meeting, but so that the quorum thereof shall be two persons at least holding or representing by proxy sixty per cent of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if this Article were omitted.

Modification of rights

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

10A. The Company, subject to and to the extent permissible in accordance of the applicable provision of the Companies Act. 1956, including any statutory modifications or amendments or re-enactment thereof or guidelines issued by any Statutory to or re-enactment thereof or guidelines issued by any Statutory Authorities, shall have powers to purchase and/or to acquire any of its shares whether or not they are redeemable and may make the payment out of capital in respect of the said purchase.

## SHARES AND CERTIFICATES

Register and index of Members.

11. The Company shall cause to be kept a Register and Index of Members in accordance with the Section 150 and 151 of the Act. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members resident in that State or Country.

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

12. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Restrictions  
on allotment.

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

Further issue  
of Capital.

14. (a) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. The offer aforesaid shall be deemed to include the right exercisable by persons concerned to renounce the shares offered to them in favour of any other person and the notice shall contain statement of this right. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose them of in such manner as they think most beneficial to the Company.

(b) Notwithstanding anything contained in the preceding subclause, the Company may:-

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

issue further shares to any person or persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.

(c) Nothing in Clauses (a) and (b) of this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares in the Company provided that the terms of the issue of such debentures or the terms of such loans include a term providing for such option and such term either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf and in the case of debentures or loans other than those debentures issued to, or loans obtained from, the Government or any institution specified by the Central Government in this behalf has also been approved by a Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans.

15. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit and with full power, with the sanction of the Company in General Meeting, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount and for such time and for such consideration as the Directors may think fit. The Board shall cause to be made the return as to allotment provided for in Section 75 of the Act.

Shares under  
control of  
Directors.

16. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of

Powers of  
Company in  
General Meeting  
to issue shares.

any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act), at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

Acceptance  
of Shares.

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

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

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

Liability of  
Members.

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

Share  
Certificates

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

Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and the two Directors or their attorneys and the Secretary or other person shall sign the share certificate; provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a managing or a whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.

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

(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

21. (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company. The Company may charge such fee, if any, not exceeding Rs. 2/- per certificate issue on splitting or consolidation of share certificates or in replacement of share certificates that are torn, defaced, lost or destroyed as the Board thinks fit, but subject as aforesaid no fee shall be charged for a certificate issued in terms of this Article. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised.

(b) When a new share certificate has been issued in pursuance of Clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of share certificate No..... sub-divided/replaced/on consolidation of shares".

Renew of  
Share Certificate

(c) If a share certificate is lost or destroyed, a duplicate certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding rupees two as the Board may from time to time fix, and on such reasonable terms, if any, as to evidence and indemnity and payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.

(d) When a duplicate share certificate has been issued in pursuance of Clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No.....". The word "duplicate" shall be stamped or punched in bold letters across the face of the share certificate.

(e) Where a new or a duplicate share certificate has been issued in pursuance of Clause (a) or Clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.

(f) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(g) The Managing Director of the Company for the time being or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-article (f).

(h) All books referred to in sub-article (g) shall be preserved in good order permanently.

(i) Notwithstanding anything contained in Article 21 and/or any other applicable Article of the Articles of Association of the Company, the Directors or their committee may at their discretion refuse an application for sub-division or consolidation of Equity Shares (being marketable unit) except when such consolidation or sub-division is required to be made to comply with any statutory regulation or order or decree or order of a competent court of law.

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

The first named  
of joint holder  
deemed sole  
holder.

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

Company not  
bound to  
recognise any  
interest in share  
other than that of  
registered holder.

24. None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 77 of the Act.

Funds of  
Company may  
not be applied in  
purchase of  
shares of the  
Company.

## UNDERWRITING AND BROKERAGE

25. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring,

Commission  
may be paid.



or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company; but so that the commission shall not exceed in the case of shares five percent of the price at which the shares are issued and in the case of debentures two and a half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures, as the case may be or partly in one way and partly in the other.

Brokerage.

26. The Company may pay a reasonable sum for brokerage.

### INTEREST OUT OF CAPITAL

Interest may be paid out of capital.

27. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision 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 restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building, or the provision of plant.

### CALLS

Directors may make calls.

28. The Board may, from time to time, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all monies unpaid on the shares whether on account of the nominal value of the shares or by way of premium held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.

Notice of calls.

29. Twenty one days' notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.

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

Calls to date  
from resolution.

31. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Liability of  
Joint holders.

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

Directors  
may extend  
time.

33. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 9 per cent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.

Calls to carry  
interest

34. Any sum, which by the terms of issue of share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in case of non-payment all the relevant provisions of these articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Sums deemed  
to be calls

35. On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder or as one of the holders at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly posted to the Member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who

Proof on trial  
of suit for  
money due  
on share.

made such 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 of the matters aforesaid shall be conclusive evidence of the debt.

Partial payment  
not to preclude  
forfeiture.

36. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in  
anticipation of  
calls may carry  
interest.

37. (a) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts remaining uncalled and unpaid on his shares beyond the sums actually called up; and upon the monies so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate (not exceeding without the sanction of the Company in General Meeting 6 per cent) as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing. Money paid up in advance of calls shall not confer a right to participate in profits or dividend.

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

Company to  
have lien on  
shares.

38. The Company shall have a first and paramount lien upon all shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all monies (whether presently payable or not), called or payable at a fixed time in respect of such shares and no equitable interest in any such share shall be created except upon the footing and condition that Article 23 is to have full legal effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of the above.

39. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as it shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf and in the name of such Member. 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 or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

As to  
enforcing  
lien by sale.

40. The net proceeds of any such sale shall be received by the Company and 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 a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Application  
of proceeds  
of sale.

## FORFEITURE OF SHARES

41. If any Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment remains unpaid give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

If money  
payable on  
share not  
paid notice  
to be given  
to Member.

42. The notice shall name a day, (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate not exceeding 9 per cent per annum as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

Term of  
notice

In default of  
payment shares  
to be forfeited.

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

Notice of  
Forfeiture to a  
Member.

44. When any shares have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

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

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

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

46. Any Member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding 9 per cent per annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.

Effect of  
forfeiture.

47. The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Evidence of  
forfeiture.

48. A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

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

Validity of  
sale under  
Articles 39  
and 45.

50. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

Cancellation  
of share  
certificates  
in respect of  
forfeited  
shares.

51. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Power of  
annul  
forfeiture

## TRANSFER AND TRANSMISSION OF SHARES

52. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

Register of  
Transfers.

53. The instrument of transfer of any share shall be in writing in the form which the Stock Exchange in India where the office is located may prescribe from time to time and failing such prescription in such usual or common form as may be approved by the Board.

Form of  
Transfer.

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

To be  
executed by  
transferor and  
transferee.

Transfer  
Books when  
closed.

55. The Board shall have power on giving not less than seven days previous notice by advertisement in a newspaper circulating in the district in which the registered office of the Company is situate to close the transfer books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient to the Board.

Directors  
may refuse  
to register  
transfers.

56. Subject to the provisions of Section 111 of the Act, and subject as hereinafter mentioned, the Board may, at its own absolute and uncontrolled discretion, and without assigning any reason, decline to register or acknowledge any transfer of shares, (notwithstanding that the proposed transferee be already a Member), but in such case it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being, either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever.

A. Without prejudice to the provisions of the Articles hereof and without in any way derogating from the powers conferred on the Directors and/or the Committee thereof, the Directors / the Committee shall be at liberty to refuse any application for registration of transfer of less than 50 (fifty) equity shares of the Company provided that this condition shall not apply to:

- (a) the application for registration of transfer if made in pursuance of any statutory regulation or order or an order or decree of a competent court of law, or
- (b) the application for registration of transfer of the entire shareholding of less than 50(fifty) equity shares of the Company by a single instrument of transfer to a sole or joint transferee/s.
- (c) the application for transfer of more or less than 50 (fifty) equity shares by a transferor whose shareholding after the transfer will be 50 (fifty) equity shares or a multiple thereof.

(d) the application for registration of transfer of less than 50 (fifty) equity shares of the Company where the Directors or the Committee may at their discretion and in exceptional circumstances or in cases of genuine hardship or for any other just and sufficient cause (the decision of the Directors or the Committee acting on their behalf being final and conclusive) accept such application and

(e) the transmission of shares under a will.

57. Where in the case of partly paid shares an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

Notice of application when to be given.

58. In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, 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.

Death of one or more joint holders of shares.

59. The executors or administrators or holders of a Succession Certificate or the legal representatives in respect of the shares of a deceased member (not being one or two or more joint holders) shall be the only person recognised by the Company as having any title to the shares registered in the name of such Member, and the Company shall not be bound to recognise such executors, or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 61 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.

Title to shares of deceased Member -



60. No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.

61. Subject to the provisions of Articles 58 and 59 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with the Articles may, with the consent of the Board (which shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Articles, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder; provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.

62. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for any dividends or other monies payable in respect of the share.

63. If any Member of the Company dies, and the Company, through any of its principal officers within the meaning of Section 18 of the Estate Duty Act, 1953, has knowledge of his/her death, it shall not be lawful for the Company to register the transfer of any shares standing in the name of the deceased member unless the Company is satisfied that the transferee has acquired such shares for valuable consideration or there is produced to it a certificate from the Controller, Deputy Controller or Assistant Controller of Estate Duty in India that either the estate duty in respect there of has been paid or will be paid or none is due, as the case may be. Where the Company has come to know through any of its principal officers of the death of any member, the Company shall, within one month of the receipt of such knowledge, furnish to the Assistant Controller or the Deputy Controller of Estate Duty who is exercising the functions of the Income-tax Officer in the case of the Company, such particulars as may be prescribed by the Estate Duty Rules, 1953.

to transfer to  
infant, etc.

Registration of  
persons entitled to  
share otherwise  
than by transfer.

Persons entitled  
may receive  
dividend without  
being registered  
as Member.

Compliance  
with The Estate  
Duty Act, 1953.

64. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares, and generally under the subject to such conditions and regulations as the Board may from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the board.

Transfer to be presented with evidence of title.

65. Before the regulation of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.

Conditions of registration of transfer.

66. No fee shall be payable to the Company, in respect of the transfer or transmission of shares.

Fee on transfer or transmission.

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

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

#### 67A NOMINATION FACILITY :

1. Every Shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.
2. Where the Shares or Debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.
3. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purpose to confer on any person the right to vest the share or debentures, the nominee shall, on the death of shareholder or debenture holder or, as the case may be on the death of the joint holders, in relation to such shares or debenture, to the exclusion of

all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.

4. Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures to make the nomination to appoint any person to become entitled to shares in, or debentures of the Company in the manner prescribed under the Act, in the event of his death, during the minority.

#### 67B TRANSMISSION OF SECURITIES :

1. A nominee, upon production of such evidence as hereinafter, may elect, either.
  - a) To register himself as holder of the share or debenture, as the case may be either.
  - b) To make such transfer of the share or debenture, as the deceased shareholder or debenture holder, as the case may be, could have made.
2. If the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.
3. A nominee shall be entitled to the dividend on shares/interest on debentures and other advantages to which he would be entitled if he was the Registered holder of the share or debenture, provided that he shall not, before registered as a member, be entitled to exercise any right conferred by membership in relation to meeting of the Company.

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

#### 67C DEMATERIALISATION OF SECURITIES :

- 1) For the purpose of this Article :

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

"Depositories Act" means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.

"Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.

"Bye-laws" means bye-laws made by a depository under section 26 of the Depositories Act.

**"Beneficial Owner"** means a person whose name is recorded as such with a depository.

**"Board"** means the Board of Directors of the Company.

**"Member"** means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as beneficial owner in the records of the depository.

**"Participant"** means a person registered as such under section 12 (1A) of the Securities and Exchange Board of India Act, 1992.

**"Record"** includes the records maintained in the form of books or stored in computer or in such other form as may be determined by regulations made by SEBI in relation to the depositories Act.

**"Regulations"** means the regulations made by SEBI.

Words imparting the singular number only include the plural number and vice versa.

Words imparting persons include corporations.

Words and expressions used and not defined in the Act but defined in the Depositories Act, shall have the same meanings respectively assigned to them in that Act.

- 2) The company may enter into a contract with any depository/s for allowing the Shares of the Company to be transacted in dematerialised form.
- 3) On the Company entering into such contract, either the company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the depositories Act, as amended from time to time or any statutory modifications thereto or re-enactment thereof.
- 4) Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialise the existing securities, dematerialise its securities held in the depositories and/ or offer its fresh securities in a dematerialised form pursuant to the depositories Act, and the rules framed thereunder, if any.
- 5) Every person subscribing to or holding securities of the company shall have the option to receive security certificates or to hold the securities with a Depository.  
If a person opts to hold his security with depository, the company shall intimate such depository, the details of allotment of the security and on receipt of the information, the depository shall enter in its record, the name of the allottees as the beneficial owner of the security.
- 6) All securities held by Depository shall be dematerialised and be in fungible form. Nothing contained in section 153, 153A, 153B, 187B, 187C and 372 of the Act,; shall apply to a Depository in respect of the securities held by it

on behalf of the beneficial owner.

- 7)
  - a) Notwithstanding anything to the contrary contained in the Act, or these Articles, a depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
  - b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
  - c) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- 8) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share of where the name appears as the beneficial owner of shares in the records of the depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than absolute right thereto in accordance with these articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivors of them.
- 9) Every depository shall furnish to the company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the laws and the company in that behalf.
- 10) Upon receipt of certificate of securities on surrender by a person who has entered into any agreement with the depository through a participant, the Company shall cancel such certificate and substitute in its record the name of depository as the registered owner in respect of the said securities, and shall also inform the depository accordingly.
- 11) If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the Depository accordingly.  
 The depository shall on receipt of information as above make appropriate entries in its record and shall inform the Company.  
 The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfilment of such conditions and payment of such fees as may be specified by the regulations, issue, the certificate of securities

to the beneficial owner of the transferee as the case may be.

- 12) Notwithstanding anything in the act, or these articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of delivery of floppies or disc.
- 13) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in depository so far as they apply to shares in physical form subject to the provisions of the depository act.
- 14) Notwithstanding anything in the Act, or these articles where securities are dealt with by a depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
- 15) The shares in the capital shall be numbered progressively according to their several denominations provided, however that the provisions relating to progressive numbering shall not apply to the shares of the company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
- 16) The Company shall cause to keep a Register and index of members and a register and index of debenture holders in accordance with section 151 and 152 of the Act respectively and the Depositories act with details of shares and debentures held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and index of beneficial owners maintained by a depository under section 11 of the depository Act, shall be deemed to be register and index of members and register and index of debentures holders, as the case may be, for the purpose of the Act. The company shall have the power to keep in any state or country outside India a branch register of members resident in that state or country.
- 17) The company shall keep a register of transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.

#### COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

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

Copies of  
Memorandum  
and Articles of  
Association to  
be sent by the  
Company

## BORROWING POWERS

Power to borrow.

69. Subject to the provisions of Section 292 and 293 of the Act and of these Articles, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided, however, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such monies without the consent of the Company in General Meeting, to be obtained by a resolution which shall provide for the total amount upto which monies may be borrowed by the Board.

The payment or repayment of moneys borrowed.

70. The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being; and debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of debentures.

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

Register of Mortgages etc. to be kept.

72. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall comply with the requirements of Sections 118, 125, 127 to 129 (both inclusive) 133 to 136 (both inclusive), 138 and 144 of the Act in that behalf, within the time prescribed by the said Sections or such extension thereof as may be permitted by the Court or the Registrar.

73. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company shall have the power to keep any State or Country outside India a Branch Register of Debenture holders resident in that State or Country.

Register and Index of Debenture holders.

## SHARE WARRANTS

74. 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, on application in writing signed by the persons 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 identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

Power to Issue share Warrants.

75. (1) The bearer of a 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 two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.

Deposit of share warrants.

(2) Not more than one person shall be recognised as depositor of the share warrant.

(3) The Company shall, on two days' written notice return the deposited share warrant to the depositor.

76. (1) Subject as herein otherwise expressly 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 privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.

Privileges and disabilities of the holders of share warrant.

(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the shares included in the warrant, and he shall be a Member of the Company.



77. 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 SHARES INTO STOCK AND RECONVERSION

78. The Company in General Meeting may convert any paid up shares into stock, and when any shares shall have been converted into stock the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time convert any stock into paid up shares of any denomination.

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 meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends 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.

### MEETINGS OF MEMBERS

80. (a) Subject to Section 210 of the Act, Annual General Meeting shall be held that not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next, and an Annual General Meeting shall be held within six months of the expiry of the financial year in which the previous Annual General Meeting was held. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(i) of the Act to extend the time within which any Annual General Meeting shall be called. An Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company or at

Issue of new share warrant or Coupon.

Shares may be converted into stock.

Rights of stock holders.

Annual General Meeting and Annual Returns

some other place as the Board may determine and the Notices calling the meeting shall specify it as the Annual General Meeting. The Company may by a resolution passed in any one Annual General Meeting fix the time for its subsequent meetings.

(b) Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statements of Account, Auditors' Report (if not already incorporated in the Audited Statements of Account), the Proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the meeting. The Company shall prepare the Annual Return in accordance with Section 159 of the Act and file the same together with all such documents as are required to be filed with the Registrar within the time prescribed in and in accordance with Section 160 and 220 of the Act.

81. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been, made, and upon which all calls or other sums then due have been paid.

Extraordinary  
General  
Meeting.

82. Any valid requisition so made by Members must set out the matters for the consideration of which the meeting is called and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

Requisition of  
Members to  
state object of  
meeting.

83. Upon receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if it does not proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than 45 days from the date of deposit of the requisition, the requisitionists; or such of their number as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

On receipt of  
requisition  
Directors to  
call meeting  
and in default  
requisitionists  
may do so

Meeting called by requisitionists.

84. Any meeting called under the foregoing Articles by requisitionists shall be called in the same manner as early as possible, as that in which meetings are called by the Board.

Twenty-one days' notice of meeting to be given.

85. Twenty-one days' notice at the least of every General Meeting, Annual or Extraordinary, and by whomsoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the Members entitled to vote thereat and in case of any other meeting, with the consent of Members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of the accounts, balance sheets and reports of the Board of Directors and Auditors, (ii) the declaration of a dividend, (iii) the appointment of Directors in the place of those retiring, (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting in any event, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director, Secretaries and Treasurers and the Manager (if any). Where any such item of business relates to, or affects any other Company, the extent of shareholding interest in that other Company of every Director, Secretaries and Treasures and the Manager, if any, of the Company shall also be set out in the Statement if the extent of such shareholding interest is not less than twenty per cent of the paid-up share capital of that other Company. Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed.

86. The accidental omission to give any such notice as aforesaid to any of the Members, or the non-receipt thereof, shall not invalidate any resolution passed at any meeting.

Notice of business to be given.

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

88. Five Members present in person shall be a quorum for General Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.

Quorum at  
General  
Meeting

89. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of Members, shall stand dissolved, but in any other case the Meeting shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called.

If quorum not  
present,  
meeting to be  
dissolved or  
adjourned.

90. The Chairman of the Board shall be entitled to take the Chair at every General Meeting whether Annual or Extraordinary. If there be no such Chairman or if at any meeting he shall not be present within ten minutes of the time appointed for holding such meeting or shall decline to take the Chair, the Directors present shall elect one of them as Chairman and if no Director be present or if all the Directors present decline to take the chair then the members present shall elect one of the members to be the Chairman.

Chairman of  
General  
Meeting.

91. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.

Business  
confined to  
election of  
chairman whilst  
Chair vacant.

92. The Chairman with the consent of the meeting may and shall if so directed by the meeting adjourn any meeting 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.

Chairman with  
consent may  
adjourn  
meeting.

93. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on a show of hands) ordered to be taken by the Chairman of the meeting of his own motion or is ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares which confer

Questions at  
General  
Meeting how  
decided

a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Unless a poll is demanded, a declaration by the chairman that a resolution has, on a show of hands been carried or carried unanimously or by a particular majority, or lost, and an entry to that effect in the Minutes Book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against that resolution.

**93(a) POSTAL BALLOT:** "The Company may and in the case of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, shall, get any resolution passed by means of a postal ballot, instead of transacting the business in general meeting of the Company. Where the Company is required to, or decides to, as the case may be, get a resolution passed by means of a postal ballot, the provisions of Section 192 A of the Act shall be complied with. Any matter / issue pertaining to or arising out of the postal ballot shall be decided by the chairman of the meeting or in his absence by the Board."

Chairman's  
casting vote

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

Poll to be taken  
if, demanded

95. If a poll is demanded as aforesaid the same shall subject to Article 97 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was deemed. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Scrutineers  
at poll.

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

In what case poll  
taken without  
adjournment

97. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

Demands for  
poll not to  
prevent  
transaction of  
other business

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

## VOTES OF MEMBERS

99. No Member shall be entitled to vote either personally or by proxy for another Member at any General Meeting or meeting of a class of shares holders either upon a show of hands or upon a poll 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, and has exercised, any right of lien.

Members in arrears not to vote.

100. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Articles shall be entitled to be present; and to speak and vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll every Member present in person or by proxy shall have the right to vote in proportion to his share of the paid up Equity capital of the Company. Provided, however, if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) Sub-Section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly effect the rights attached to his preference shares.

Number of votes to which Member entitled.

101. On a poll at a meeting of the Company, a Member entitled to more than one vote, or his proxy, or other person entitled to vote for him as, the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Casting of votes by a Member entitled to more than one vote.

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

How Members non compos mentis and minor may vote.

103. If there be joint registered holders of any share, any one of such persons may vote at any meeting or may appoint another (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not

Votes of joint Members

have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stand shall for the purpose of these Articles be deemed joint holders thereof.

Voting in person  
or by proxy

104. Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.

Votes in respect  
of shares of  
deceased and  
insolvent  
Member.

105. Any person entitled under Article 61 to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment of  
proxy

106. Subject to the provisions of the Act, votes may be given either personally or by proxy. Every (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of the body corporate, or signed by an officer or an attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

Proxy either for  
specified  
meeting or for  
a period

107. An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting of the Company, or of every Meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

108. No member present only by proxy shall be entitled to vote on a show of hands, unless such Member, is a body corporate present by a proxy who is not himself a Member in which case such proxy shall have a vote on a show of hands as if he were a Member.

No proxy except for a body corporate to vote on show of hands.

109. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Deposit of instrument of Appointment.

110. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.

Form of proxy

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

Validity of votes given by proxy notwithstanding death of Member.

112. No objection shall be made to the validity of any vote, except at the meeting or poll at which vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Time for objections to votes.

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

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

114. (1) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 days of the conclusion of every meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

Minutes of General Meeting and inspection thereof by Member.



(2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 days or in the event of the death or inability of that chairman, within that period, by a Director duly authorised by the Board for the purpose.

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

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

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

(6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is, or could reasonably be regarded as, defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(7) Any such minutes shall be evidence of the proceedings recorded therein.

(8) The book containing the minutes of proceedings of General Meetings shall be kept at the Registered Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

## DIRECTORS

Number of  
Directors.

115. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (excluding debenture, alternate and corporation Directors) shall not be less than 3 or more than 11.

116. If it is provided by any Trust Deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation. A Debenture Director shall not be bound to hold any qualification shares.

Debenture  
Directors.

117. (a) So long as any monies owing by the Company to any one or more Finance Corporations and/or Credit Corporation or Corporations or to any Financing Company or Companies or body or bodies (which corporation, company or body is hereinafter in this Articles referred to as "The Corporation") the Directors may authorise the Corporation to appoint from time to time any person as a Director of the Company (which Director is hereinafter referred to as "the Corporation Director") and may agree that the Corporation Director shall not be liable to retire by rotation.

Corporation  
Director.

(b) The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman of the Corporation or any Director or a duly authorised officer thereof and shall be delivered to the Company at its Registered Office.

(c) Every Corporation authorised to appoint a Director under this Article may appoint one such person as Director so that if more than one Corporation is so entitled, there may be, at any time, as many Corporation Directors as the Corporations eligible to make appointment.

Special  
Directors.

118. (a) In connection with any collaboration arrangement with any Company or body corporate or any firm or person for supply of technical know-how and/or machinery or technical advice the Directors may authorise such Company, body corporate, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time any person as a Director of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation. So however, that such Special Director shall hold office so long as such collaboration arrangement remains in force, unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangement or at any time thereafter.

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

(c) Every Collaborator authorised to appoint a Director under this Article may appoint one such person as a Director so that if more than one Collaborator is so entitled there may be at any time as many Special Directors as the Collaborators eligible to make the appointment.

Appointment of  
Alternate  
Director.

119. The Board may appoint an Alternate Director who is recommended for such appointment by the Director (hereinafter called "the Original Director") to act for him during his absence for a period of not less than three months from the state of Maharashtra. Every such Alternate Director shall (subject to his giving to the Company an address in India or elsewhere of such Alternate Director at which notice may be served on him) be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Board may at any time upon request in writing of the Original Director revoke the appointment of the Alternate Director and appoint another person recommended by the original Director in his place. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to

the State of Maharashtra. If the term of office of the Original Director is determined before he so returns to the State of Maharashtra, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.

120. Subject to the provisions of Section 260, 261, 262, 264 and 284 (6) of the Act the Board shall have power, at any time, and from time to time to appoint any other qualified person to be a Director, either to fill 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 fixed as above.

Directors may fill up vacancies and add to their number.

121. The qualification of a Director (other than a Debenture Director, Special Director or Director not liable to retire by rotation) shall be the holding of shares, solely or jointly with another or others and whether beneficially or as a Trustee for any person or persons or otherwise, of the nominal value of at least Rupees Two Thousand Five Hundred.

Qualification of Directors.

122. Each Director shall be entitled to receive out of the funds of the Company for each meeting of the Board or a Committee thereof attended by him such fee as may from time to time be determined by the Board but not exceeding such sum as may from time to time be prescribed by or under the Act and applicable to the Company.

Remuneration Director

123. The Board may allow and pay to any Director, who is not a bona fide resident of Mumbai and who shall come to Mumbai for the purposes of attending a meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified.

Travelling expenses incurred by Director not a bona fide resident of Mumbai.

124. Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make any special exertions in going or residing out of Mumbai or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his or their share in the remuneration above provided.

Extra remuneration to Directors for special work.

Directors may act notwithstanding vacancy.

125. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the minimum number fixed by article 114 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting, but for no other purpose.

When office of Directors to be vacated.

126. Subject to Sections 283(2) and 314 of the Act the office of a Director shall become vacant if

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualifications incurred by such failure; or
- (e) he is deemed to have vacated office under the provisions of Section 314 by any place of profit being held in contravention thereof; or
- (f) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or
- (g) he becomes disqualified by an order of Court under section 203 of the Act; or
- (h) he is removed in pursuance of Section 284 of the Act; or
- (i) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner

or any private company of which he is a director, accepts a loan, or any guarantee or security for loan, from the Company in contravention of Section 295 of the Act; or

- (j) he acts in contravention of Section 299 of the Act; or
- (k) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (l) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- (m) he resigns his office by a notice in writing addressed to the Company.
- (n) "he is already a director of a public company which,
  - (1) has not filed the annual accounts and annual returns for any consecutive three financial years commencing on and after the first day of April, 1999 ; or
  - (2) has failed to repay its deposit or interest thereon on due date or redeem its debenture on due date or pay dividend and such failure continues for one year or more :

Provided that he shall not be eligible to be appointed as a director for a period of five years from the date on which such other public Company, in which he is a director, failed to file annual accounts and annual returns or has failed to repay its deposits or interest or redeem its debentures on due date or pay dividend.

The above disqualification of a director shall be governed by the provisions of Sections 274 (1) (g) of the Companies Act, 1956 or such other rules, regulations governing the matter from time to time."

- (o) He becomes disqualified in terms of any of the provisions of Companies Act, 1956, amended from time to time."

127. (1) A director or his relative, a firm in which such director or relative is a partner, any other partner in such firm, or a private company of which the Director is a member or director may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services for underwriting the subscription of any shares in or debentures, of, the Company, provided that the sanction of the Board is obtained by a resolution passed at a meeting of the Board before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.

Director may  
contract with  
the Company.

- (2) No sanction however shall be necessary to:
  - (a) any purchase of goods and materials from the Company, or the sale of goods or materials to the Company, by any such Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
  - (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and

services in which either the Company or the Director, relative, firm, partner or private company, as the case may be, regularly trades or does business where the value of the goods and materials or the cost of such services do not exceed Rs. 5,000/- in the aggregate in any year comprised in the period of the contract or contracts.

Provided that in circumstances of urgent necessity, the Company may without obtaining the consent of the Board enter into any such contract or contracts with the Director, relative, firm, partner or private company even if the value of such goods or materials or the cost of such services exceeds Rs. 5,000/- in the aggregate in any year comprised in the period of the agreement, if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

(3) The Directors so contracting or being so interested shall not be liable to the Company for any profits realised by any such contract by reason of such director holding that office or the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him at a meeting of the board at which the contract is determined, if his interest exists, or in any other case at the first meeting of the board after the acquisition of his interest.

Disclosure of  
interest

128. A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement entered into, or a proposed contract or arrangement to be entered into by or on behalf of the company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or any such other Company or two or more of them together holds or hold not more than two percent of the paid up share capital in any such other Company or the Companies as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall

be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal there of shall be of effect unless either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

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

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

(1) any contract or indemnity against any loss which the Director or any one or more of them may suffer by reason of becoming or being sureties or surety for the Company;

(2) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director aforesaid consists solely:-

(i) in his being

(a) a director of such company; and

(b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a director thereof, he having been nominated as such director by the Company; or

(ii) in his being a member holding not more than 2% of its paid up share capital.

This Article is subject to the provisions of sub-section (2) of Section 300 of the Act.



130. The Company shall keep a register in accordance with Section 301(1) and shall within the time specified in Section 301 (2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 128. Nothing in this Article shall apply to any case to which clause 3A of Section 301 applies or to any contract or agreement for the sale purchase or supply of any goods, materials, or services if the value of such goods or materials or cost of such services does not exceed Rs. 1,000/- in the aggregate in one year. The Register shall be kept at the Office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any Member of the Company to the same extent in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

Register of  
contracts in which  
Directors are  
interested.

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

Directors may be  
Directors of  
Companies  
promoted by the  
Company.

132. Subject to the provisions of Section 256 of the Act and Articles 116,117,118 and 144 at every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Alternate Directors, Debenture Directors, Corporation Directors, Special Directors and Managing Directors if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire. In the following Articles a "retiring Director", means a Director retiring by rotation.

Retirement and  
rotation of  
Directors.

133. Subject to Section 284 (5) of the Act the Directors to retire by rotation under Article 132 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between person who became Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lot.

Ascertainment of  
Directors retiring  
by rotation and  
filling of vacancies.

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

Eligibility for re-election.

135. Subject to Sections 258 and 261 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Company to appoint successors.

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

Provisions in default of appointment.

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

- (i) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so re-appointed.
- (iii) he is not qualified or is disqualified for appointment
- (iv) a resolution whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
- (v) the proviso to sub-section (2) of Section 263 the Act is applicable to the case.

137. Subject to Sections 258 and 259 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors and may alter their qualification and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Company may increase or reduce the number of Directors.

Notice of candidature for office of Directors except in certain cases.

138. (1) A person who is not a retiring Director shall, subject to the provisions of the Act, be eligible for appointment to the office of the Director at any General Meeting unless he or some other member intending to propose him has, at least, not less than fourteen days before the Meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to Propose him as a candidate for that office, as the case may be, along with the deposit of five hundred rupees which shall be refunded to such person if the person succeeds in getting elected as Director.

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

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

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

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

139. (a) The Company shall keep at its Office a Register containing the particulars of its Directors, Managers, Secretaries and other persons mentioned in Section 303 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

Register of shares or debentures held by Directors.

(b) The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said section in all respects.

140. (a) Every Director (including a person deemed to be a Director by virtue of the explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager, or Secretary of the Company shall within twenty days of his appointment to (or, as the case may be, relinquishment of) any of the above offices in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) Section 303 of the Act.

Disclosure by Director of appointment to any other body corporate.

(b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act and every Manager of the Company shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that section.

Disclosure by a Director of his holdings of shares and debentures of the Company, etc.

## MANAGING DIRECTORS

141. Subject to the provisions of the Act and of this Article, the Board shall have the power to appoint and re-appoint and from time to time to remove one or more persons as Managing Director or Managing Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and subject to the provisions of Article 142 the Board may by resolution vest in such Managing Director such of the powers hereby vested in the Board generally as it thinks fit and such power may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of a monthly payment fee for each meeting or participation in the profits or by any or all these modes or any other mode not expressly prohibited by the Act. Subject to the provisions of the Act, the Board of Directors shall be entitled upto such time as it appoints a Managing Director or Managing Directors to appoint any person as the Manager of the Company with power to remove and/or reappoint such Manager on such terms and conditions and on such remuneration as the Board may in its absolute discretion think fit.

Board May appoint Managing Directors

Restrictions on  
management

142. The Managing Director or Managing Directors shall not exercise the powers to :

- (a) make calls on shareholders in respect of money unpaid on their shares in the Company, and,
- (b) issue debentures, and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, the Managing Director or Managing Directors shall also not exercise the powers to,
- (c) borrow moneys,
- (d) invest the funds of the Company and
- (e) make loans.

Certain persons  
not to be  
appointed  
Managing  
Director.

143. The Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or wholetime Director who :-

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
- (b) suspends, or has at any time suspended with his creditors, or makes, or has at any time made, a composition with them; or
- (c) is, or has at any time been, convicted by a Court of an offence involving moral turpitude.

Special position  
of Managing  
Director.

144. Subject as hereinafter provided, a Managing Director shall not while he continues to hold that office be subject to retirement by rotation in accordance with Article 132. If he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director.

## PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of  
Directors

145. The Directors may meet together as a Board for the despatch of business from time to time and unless the Central

Government by virtue of the proviso to Section 285 of the Act otherwise directs, shall so meet at least once in every three calendar months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

146. Notice of every meeting of the Board shall be given in writing to every Director at his usual address.

Notice of Meetings.

147. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time) or two Directors, whichever is greater, provided that in calculating the said one-third, any fraction of a number shall be treated as a whole number. Provided, however that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors (that is to say, the number of Directors who are not interested), present at the meeting, being not less than two, shall be the quorum during such time.

Quorum

148. If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

Adjournment of meeting for want of quorum

149. A Director may at any time and the Secretary of the Company shall on the request of a Director convene a meeting of the Board by giving a notice in writing to every Director at his usual address. Notice may be given by telegram to a Director who has his usual address outside the State of Maharashtra.

When meeting to be convened.

150. A member holding the largest number of equity capital of the Company shall be entitled, from time to time to nominate, by writing addressed to the Board of Directors of the Company, from amongst the Directors any one of their member to be the Chairman of the Board of Directors and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their member to be the Chairman of the meeting.

Chairman.

Question at Board Meeting how decided

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

Powers of Board Meeting

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

Directors may appoint Committees.

153. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of such Member or Members or one or more Director and a Member or Members of the Company as it thinks fit, and it may, from time to time revoke and discharge any such Committee of the Board either wholly or in part, and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointments but not otherwise, shall have the like force and effect as if done by the Board; Provided that such delegations shall not be in respect of matters enumerated in sub-clauses (a), (b), (c), (d) or (e) of Clause (1) (as modified by Explanation ii) of Section 292 save and except that the said powers may be delegated only to the extent permitted by and subject to the restrictions and limitations contained in Clause (2), (3) and (4) of Section 292.

Meeting of Committee, how to be governed.

154. The meeting and proceedings of any such Committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Resolution by Circulation.

155. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors and / or Alternate Directors or to all the Members of the Committee (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), at their usual address and has been approved by such Directors or Members or by a majority of them, and as are entitled to vote on the resolution.

156. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall not withstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Acts of Board  
or Committees  
valid  
notwithstanding  
defective  
appointment

157. (1) The Company shall cause minutes of all proceedings of every meeting of the Board to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.

Minutes of  
proceeding of  
meetings of the  
Board.

(2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said Meeting or the Chairman of the next succeeding meeting.

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

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

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

(6) The minutes shall also contain details of :-

- (a) the names of the Directors present at the meeting; and
- (b) all orders made by the Board and Committee of the Board; and
- (c) all resolution and proceedings of meetings of the Board; and
- (d) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from, or not concurring in, the resolution.



(7) Nothing contained in sub-clauses (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting:-

- (a) is, or could reasonably be regarded as, defamatory of any person;
- (b) is irrelevant or immaterial to the proceedings; or
- (c) is detrimental to the interests of the Company.

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

(8) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

Powers of  
Directors

158. The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :-

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking.
- (b) remit, or give time for the repayment of, any debt due by a Director.

- (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition, of any such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.
- (d) borrow monies where the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, or
- (e) contribute (subject to the limits laid down by Sections 293 and 293A of the Act), to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed one hundred-fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.
  - (i) Provided further that for the purpose of clauses (a), (b), (c) and (d), the powers specified in Section 292 of the Act shall subject to these Articles be exercised only at meetings of the Board, unless the same be delegated to the extent therein stated.
  - (ii) Provided further that in respect of the matter referred to in clause (d) and (e) such consent shall be obtained by a resolution which shall specify the total amount upto which money may be borrowed by the Board under clause (d) or the total amount which may be contributed to a charitable or other fund in any financial year under clause (e);

- (iii) Provided further that "temporary loans" in clause (d) above shall mean loans repayable on demand of within six months from the date of the loan, such as short term, cash credit arrangements, the discounting of Bills and the issue of other short term loans raised for the purpose of financing expenditure of a capital nature;
- (iv) Provided finally that (notwithstanding anything contained in this Article) neither the Company in general meeting nor the Board shall contribute to any political party or for any political purpose, to any individual or body, any amount or amounts which or the aggregate of which will in any financial year, exceed twentyfive thousand rupees or five percent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding (whichever is greater and the Company shall disclose in its profit and loss account any amount or amounts contributed by it (under this proviso) to any political party or for any political purpose to any individual or body during the financial year to which that account relates, giving particulars of the total amount contributed and the name of the party, individual or body to which to whom such amount has been contributed.

Certain Powers  
of the Board

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

- (1) To pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company.

- (2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 of the Act.
- (3) Subject to Sections 292 and 297 of the Act to purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (5) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (6) To accept from any Member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

- (8) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences arbitration, either according to Indian Law or according to foreign Law and either in India or abroad and observe and perform or challenge any awards made thereon.
- (9) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (10) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (11) Subject to the provisions of Sections 292, 293(1) (e), 295, 369, 370, 273 and 373 of the Act, to invest and deal with any monies of the Company not immediately required for the purposes thereof, upon such security (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.
- (12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend, warrants, releases, contracts and documents, and to give the necessary authority for such purpose

- (14) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.
- (15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls, or by grants of money pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other association, institution, funds or trust and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries medical and other attendance and other assistance as the Board shall think fit; and subject to the provisions of Sections 293(1)(e) and 293A of the Act to subscribe or contribute otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, political or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation or of public and general utility or otherwise.
- (16) Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to depreciation Fund, or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other

purposes (Including the purposes referred to in the preceding clause) as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of the Company, as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any or any part thereof for the benefit of the Company in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof, may be matters to or upon which the capital monies of the Company might be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund in the business of the Company or in the purchase or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine per cent per annum.

- (17) To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special

services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.

- (18) To comply with the requirements of any local law which in their opinion it shall in the interests of the Company be necessary or expedient to comply with.
- (19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be Members of such Local Boards and to fix their remuneration.
- (20) Subject to Section 292 of the Act, from time to time, and at any time to delegate to any person so appointed, any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow monies; and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- (21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint



any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorised by the Board the Power to make loans and borrow moneys and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment may (if the Board thinks fit) be made in favour of the Members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

- (22) Subject to Sections 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- (23) From time to time to make vary and repeal byelaws for the regulation of the business of the Company, its officers and servants

## MANAGEMENT

160. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely :-

Prohibition of simultaneous appointments of different categories of managerial personnel.

- (a) Managing Director;
- (b) Managing Agent;
- (c) Secretaries and Treasurers, and
- (d) Manager.

## THE SECRETARY

161. Subject to the provisions of Section 197A of the Act, the Directors may, from time to time appoint and, at their discretion, remove any individual, firm or body corporate (hereinafter called "the Secretary") to perform any functions, which by the Act or these Articles are to be performed by the Secretary, and to execute any other duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

Secretary

## THE SEAL

162. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or Committee of the Board previously given, and in the presence of two Directors of the Company or one Director and some other person appointed by the Directors for the purpose.

The Seal, its custody and use.

(b) The Company shall also be at liberty to have an official seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

163. Every deed or other instrument to which the seal of the Company is required to be affixed shall be affixed only under the authority of the Directors previously given and in the presence of at least two Directors or one Director and some other person appointed by the Directors for the purpose, provided nevertheless that certificates of shares shall be sealed as provided as per the Articles in that regard hereinbefore contained and in accordance with the Companies (Issue of Share Certificate) Rules, 1960, or any statutory replacement or modification thereof.

### DIVIDENDS

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

165. The Company in General Meeting may declare dividends to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

166. (1) No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both.

(2) The depreciation shall be provided either :-

- (a) to the extent specified in Section 350 of the Act; or
- (b) in respect of each item of depreciable asset for such an amount as is arrived at by dividing 95 per cent of the original cost thereof to the Company by the specified period in respect of such assets; or

Deeds how  
executed

Division of  
profit

The Company in  
General Meeting  
may declare a  
dividend.

Dividends only  
to be paid out  
of profits.

- (c) on any other basis approved by the Central Government which has the effect of writing off by way of depreciation 95 per cent of the original cost to the Company of each such depreciable asset on the expiry of the specified period; or
- (d) as regards any other depreciable asset for which no rate of depreciation has been laid down by the Income tax Act, 1961, or the rules made thereunder on such basis as may be approved by the Central Government by any general order published in the Official Gazette or by any special order in the case of the Company.

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

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

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

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

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

Interim  
dividend

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

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

Dividends in  
Proportion to  
amount paid up

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

Relation of  
dividends until  
completion of  
transfer under  
Article 61

170. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall

(i) transfer the dividend in relation to such shares to the special account referred to in section 205A of the Act, unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and

(ii) keep in abeyance in relation to such any offer of rights shares under clause (a) of sub-section (1) of section 81 and any issue of fully paid-up bonus shares in pursuance of sub-section (3) of section 205 of the Act.

Dividends etc. to  
Joint holders.

171. Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other monies payable in respect of such shares.

No Member to  
receive dividend  
whilst indebted to  
the Company's  
right of reimburse-  
ment there out.

172. No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any Member all sums of moneys so due from him to the Company.

Transfer of share  
must be registered.

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

Dividends how  
remitted.

174. Unless otherwise directed any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for

any cheque or warrant or payslip or receipt lost in transit or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

At the option of a shareholder, dividend may be paid in any manner which has the effect of transferring the amount of dividend to the benefit of the shareholder including credit to his/her bank account and transfer of amount of dividend from the Company's bank to the shareholder's bank account.

175. Dividends which remain unpaid or unclaimed may be dealt with according to provisions of section 205A of the Companies Act, 1956.

176. No unpaid dividend shall bear interest as against the Company.

No interest on  
dividends

177. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.

Dividend and  
call together

178. (a) The Company in General Meeting may resolve that any monies investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend ( or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account ) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either in part or as such premium as the resolution may provide, any unissued shares of the Company which shall be distributed according or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that a share Premium Account and a Capital Redemption Reserve Account may for the purposes of this Article, only be applied in the payment of Unissued shares to be issued to Members of the Company as fully paid bonus shares.

Capitalisation

(b) A General Meeting may resolve that any surplus monies arising from the realisation of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the Members on the footing that they receive the same as capital.

(c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any Members upon the footing of the value so fixed or that fraction of less value than Rs.10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

## ACCOUNTS

Directors to  
keep true  
accounts

179. The Company shall keep at the office or at such other place in India as the Board thinks fit proper books of account in accordance with Section 209 of the Act with respect to :-

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

When the Board decides to keep all or any of the books of account at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. The Company shall preserve in good order the books of account relating to a period of not less

than eight years preceding the current year together with the vouchers relevant to entries in such books of account.

When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns made up to date at intervals of not more than three months, are sent by the branch office to the Company at its Office or other place in India, at which the Company's Books of Account are kept as aforesaid.

The Books of Account shall give a true and fair view of the state of the affairs of the Company or branch office, as the case may be, and explain its transactions and shall be open to inspection by any Director during business hours.

180. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members, not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book of the Company except as conferred by law or authorised by the Board.

As to inspection of accounts or books by Members.

181. The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheets, Profit & Loss Accounts and Reports as are required by these sections.

Statements of Accounts to be furnished to General Meeting.

182. A Copy of every such Profit and Loss Account and Balance Sheet (including the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet) shall, at least twenty-one days before the meeting at which the same are to be laid before the Members, be sent to the Members of the Company, to holders of debentures issued by the Company (not being debentures which *ex facie* are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company.

Copies shall be sent to each Member.



## AUDIT

183. Auditors shall be appointed and their rights and duties regulated in accordance with Section 224 to 233 of the Act.

184. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error discovered within that period the account shall forthwith be corrected and thenceforth shall be conclusive.

## DOCUMENTS AND NOTICES

185. (1) A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any in India supplied by him to the Company for serving documents or notices on him.

(2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice provided that where a Member has intimated to the Company in advance that documents or notice should be sent to him under a certificate of posting or by registered post without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and, such service shall be deemed to have been effected in the case of a Notice of Meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

186. A document or notice advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notice to him.

187. A document or notice may be served or given by the Company on or to the joint holders of a share by serving or giving the document or notice on or to the joint holders named first in the Register of Members in respect of the share.

On Joint holders.

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

In personal representatives, etc.

189. Documents or notices of every General Meeting shall be served or given in some manner hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a Member and (c) the auditor or auditors for the time being of the Company. Provided that when the notice of the meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Office of the Company under Article 185 a statement of material facts referred to in Article 84 need not be annexed to the notice as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

To whom documents or notices must be served or given.

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

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

191. Any document or notice to be served or given by the Company may be signed by the Managing Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.

Document or notice by Company and signature thereto.

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nbers.

192. All documents or notices to be served or given by the Members on or to the Company or any Office thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the Office.

### WINDING UP

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193. The Liquidator on any winding up (whether voluntary, under supervision of a Court, or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think

### INDEMNITY AND RESPONSIBILITY

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emnity.

194. Save and except so far as the provisions of this Article shall be avoided by Section 201 of the Act, the Board of Directors, Managers, Auditors, Secretary and other officers or servants for the time being of the Company and the 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 heirs, 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 or any of their executors or administrators shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, excepts 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 acts, receipts neglects or defaults of the other or others of them, or for joining in any receipt for the sake of confirmity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be 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 except the same shall happen by or through their own wilful neglect or default respectively.

**SECRECY CLAUSE**

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

Secrecy  
Clause

(2) No Member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

Name of Subscribers	Description and Addresses of the Subscribers.	No. of Shares taken by each Subscriber.	Witness
(1) Kanchanal C. Shah.	547, Kalbadevi Road, Bombay-2.	FIVE	JETHALAL
2) Ramanlal M. Shah.	-----do-----	FIVE	-----do-----

Dated this 13th day of November 1957.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 262 OF 1996  
CONNECTED WITH  
COMPANY APPLICATION NO. 97 OF 1996

In the matter of Section 391 and  
394 of the Companies Act, 1956;

And

In the matter of Scheme of Amalgamation of  
GROWEL CHROMATES PVT. LTD.

with

**GRAUER & WEIL (INDIA) LTD.**

Grauer & Weil (India) Ltd. )  
a Company incorporated under the )  
Companies Act, 1956 and having )  
its Registered Office at Akurli )  
Road, Kandivali (East), )  
Mumbai 400 101 ) .. Petitioner

Coram : S. M. Jhunjhunwala J.

Dated : 27th September, 1996

UPON the Petition of Grauer & Weil (India) Ltd., the Petitioner abovenamed, presented to this Hon'ble Court on the 24th day of April, 1996 for sanction of the Scheme of Amalgamation of Growel Chromates Pvt. Ltd. (hereinafter referred to as "the Transferor Company") with Grauer & Weil (India) Ltd., (hereinafter referred to as "the Transferee Company") and for other consequential reliefs as mentioned in the Petition AND the said Petition being this day called on for hearing and

final disposal AND UPON READING the Petition and the affidavit of Shri Suresh Pareek, the whole time Director of the Petitioner Company dated 24th day of April, 1996 verifying the said Petition AND UPON READING the affidavit of Shri Harishchandra A. Kocharekar dated 25th day of September, 1996 proving publication of the notice of the date of hearing of the Petition in the issue of "Free Press Journal" dated 11th day of May, 1996 and "Mumbai Samachar" dated 15th day of May, 1996 and also in Maharashtra Government Gazette dated 30th day of May, 1996 pursuant to the Order dated 25th day of April, 1996 AND UPON READING the Order dated 12th day of February, 1996 made by this Hon'ble Court in Company Application No.97 of 1996 whereby the Transferee Company was directed to convene and hold the meetings of its Equity Shareholders, Secured Creditors, Convertible Debenture Holders and the Secured Creditors for the purpose of considering and if thought fit approving with or without modification the arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company AND UPON READING the affidavit dated 2nd day of April, 1996 of Shri. U.G. Mukadam, the Chairman of the meetings of Equity Shareholders, Secured Creditors, Convertible Debenture Holders and Unsecured Creditors of the Transferee Company, proving publication of the notice convening the said meetings in the newspapers viz. "Free Press Journal" dated 5th day of March, 1996 and "Mumbai Samachar" dated 6th day of March, 1996 and also proving despatch of notice convening meetings to individual Equity Shareholders, Secured Creditors, Convertible Debenture Holders and Unsecured Creditors, AND UPON READING the Report dated 22nd day of April, 1996 of Shri U.G. Mukadam, the Chairman of the said meetings of Equity Shareholders, Secured Creditors, Convertible Debenture Holders and Unsecured Creditors as to the results of said meetings AND UPON READING the affidavit of Shri U.G. Mukadam dated 22nd day of April, 1996 verifying the said report AND UPON READING

the affidavit of Shri Suresh Pareek dated 14th day of May, 1996 annexing therewith the consent from one of Secured Creditors viz. the Central Bank of India AND IT APPEARS from the report of the Chairman that the arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company being Exhibit 'E' to the Petition has been approved by majority in number representing three fourths in value of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferor Company present and voting either in person or by proxy or by representative at the respective meetings AND UPON HEARING Shri D.V. Merchant i/b/ M/s Nanu Hormasjee & Co., Advocates for the Petitioner Company and Shri S. L. Rajput, Company Prosecutor for Regional Director, Department of Company Affairs, Mumbai who submits to the orders of the Court and no other person or persons entitled to appear at the hearing of the said Petition appearing this day either in support or to show cause against the said Petition THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation of Growel Chromates Pvt. Ltd., the Transferor Company with Grauer & Weil (India) Ltd., the Transferee Company as set forth in Exhibit 'E' to the said Petition and also in the Schedule hereto annexed AND THIS COURT DOTH HEREBY DECLARE the Scheme of Amalgamation to be binding on the Transferor Company and its Shareholders and Creditors AND THIS COURT DOTH ORDER that with effect from 1st day of January, 1996 whole business and entire undertaking including all the assets, properties, movable and immovable assets, lease, licences, rights, benefits, powers and authorities of every kind, nature and description whatsoever of the Transferor Company in the manner specified in the Scheme of Amalgamation shall without any further act or deed stand transferred to and vest in the Transferee Company pursuant to the provision of Section 394 of the Companies Act, 1956 so as to become the property of the Transferee Company but subject



nevertheless to all the charges affecting the same AND THIS COURT DOTH FURTHER ORDER that with effect from 1st day of January, 1996 all the debts, liabilities, duties and obligations of the Transferor Company shall pursuant to the provision of Section 394 of the Companies Act, 1956 be transferred without any further act or deed to the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all the proceedings, suits and actions, if any, now pending by or against the Transferor Company be continued by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that in consideration of the transfers of assets and liabilities of the Transferor Company to the Transferee Company, the Transferee Company shall without any application allot and issue 9 (Nine) fully paid Equity Shares of Rs.10/- each of the Transferee Company to the Shareholders of the Transferor Company for 1 (one) fully paid Equity Share of Rs.100/- each of the Transferor Company held by such Shareholders in the transferor Company AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days after the date of sealing of this Order cause a certified copy of the Order to be delivered to the Registrar of Companies, Maharashtra, Mumbai, for Registration and that on such certified copy of the Order being so delivered the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place all the documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the Transferor Company and the Transferee Company shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that parties to the arrangement embodied in the Scheme of Amalgamation sanctioned

herein or any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any direction that may be necessary in regard to the working of the arrangement embodied in the Scheme of Amalgamation sanctioned herein and set forth in the Schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 500/- (Rupees Five Hundred Only) to the Regional Director, Department of Company Affairs, Mumbai towards the costs of the said Petition, WITNESS SHRI MANHARLAL BHIKHALAL SHAH, Chief Justice at Mumbai aforesaid this 27th day of September, 1996.

By the Court

Sd./- U. G. MUKADAM

For Prothonotary & Senior Master:

SEAL

Sd/- U. G. MUKADAM

SEALER

This 5th Day of October, 1996

Order sanctioning the Scheme of )  
Amalgamation drawn on the )  
Application of M/s Nanu Hormasjee )  
& Co., Advocates for Petitioners )  
Company having their office at )  
Fort Chambers, A-wing, 1st Floor, )  
Ambalal Doshi Marg, Fort, Mumbai-400 023.

SCHEDULE

## SCHEDULE

SCHEME OF AMALGAMATION OF GROWEL CHROMATES PVT. LTD.

With

GRAUER AND WEIL (INDIA) LTD.

The whole of the business of the Growel Chromates Pvt. Ltd., (hereinafter referred to as the Transferor Company) including undertakings, all the rights, powers, authorities and all the properties moveable and/or immovable, including leasehold and tenancy rights and cash balances, reserves, revenue balances and investments, licences and benefits and concessions and all other interest and rights in or arising out of such properties and licences, benefits and concessions already issued to the Transferor Company or to which it may become entitled to shall without any further act or deed, be transferred to and vested in Grauer & Weil (India) Ltd., (hereinafter referred to as 'the Transferee Company') with effect from 1.1.1996 (being the effective date) and that the same be, pursuant to the provisions of Section 394 of the Companies Act, 1956 transferred and vested in the Grauer & Weil (India) Ltd., subject nevertheless to all charges affecting the same.

All debts, liabilities, duties and obligations of the Transferor Company as at 31st December, 1995 shall also be without further act or deed transferred to the Transferee Company with effect from 1st January, 1996 so as to become as from the effective date, the debts, liabilities duties and obligations of the Transferee Company.

All actions, suits and proceedings, if any, by and against the said Transferor Company pending on the effective date shall become operative by and against the Transferee Company and be continued thereafter by or against the Transferee Company.

All the employees and workmen of the Transferor Company shall on and from the effective date become employees and workmen of the Transferee Company on the same terms and conditions with continuity of services.

All contracts, deeds, bonds agreements and other instruments to which the said Transferor Company is a party shall be in full force and effect against or in favour of the Transferee Company and shall be endorsed as fully and effectually as if instead, of the said Transferor Company, the Transferee Company has been a party thereto.

The Shareholders of the Transferor Company shall receive against their 1 fully paid Equity Share of Rs.100/- each of and, from the Transferee Company as from the effective date Nine (9) fully paid Equity Shares of Rs.10/- each on the basis of the Certificate of Valuation of M/s. M. M. Nissim & Co., Chartered Accountants. The proposed ratio for allotment is without taking into consideration the contingent liabilities if any ;

The aforesaid Equity Shares shall be allotted without any application and shall rank pari passu with the existing Equity Shares of the Transferee Company as from 1st January, 1996 prorata.

The Equity Shares allotted under this Scheme shall be subject to the same terms and conditions as are contained in the Memorandum and Articles of Association of the Transferee Company as are at present in force and shall be treated for all purposes and in all respect as if they have previously been issued and formed part of the original issued capital of that Company and shall rank for all dividend for the Company's financial year commencing on 1st April, 1995 prorata as from 1st January, 1996.

The profits and lossess of the Transferor Company as from the 1st day of January, 1996, shall belong to the transferee Company and shall be treated as such for all purposes including declarations of dividends for the year ended 31st March, 1996.

The dividend, if any, declared for the year ending 31st March, 1996 shall be paid by the Transferee Company.

For the purposes of issuing the said new shares, to the members of the Transferor Company as aforesaid the Transferee Company shall, if so required, in due course pass the requisite Special Resolution under Sub-section (1A) of Section 81 of the said Act only after this Scheme shall have been sanctioned by an Order of the High Court and become effective as aforesaid.

The Transferee Company (by its Directors) and the Transferor Company (by its Directors) may assent on behalf of all persons concerned to any modification or amendments of this Scheme or of any conditions which the Court may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the scheme and do all acts deeds and things, necessary for putting the Scheme into effect.

The Transferor Company shall as from the effective date stand possessed of all its property and premises and continue to carry on its business for and on behalf and on account of and in trust for the Transferee Company.

The Transferor Company shall after the effective date be dissolved without winding up.

The Scheme is conditional on and subject to :

(a) The approval of any of the authorities concerned being obtained and granted in respect of any of the matters in respect of which such approval be required;

(b) The approval of and agreement to the Scheme by the requisite majorities of the member of the Transferor Company and of the members of the Transferee Company;

(c) The sanction by the High Court, under section 391 of the Companies Act, 1956 both on behalf of the Transferor Company and the Transferee Company and to the necessary order or orders under Section 394 of the said Act, being obtained ;

In the event of the said approvals not being obtained and of the Scheme not being sanctioned by the Court and the Order or Orders not being passed by it as aforesaid before the day of 31st July, 1996 or within such further period or periods as may be agreed upon between the Transferor Company (by its Directors) and the Transferee Company (by its Directors) this Scheme shall become null and void.

**CERTIFIED AS TRUE COPY  
For GRAUER & WEIL (INDIA) LTD.,**

**(Authorised Signatory)**