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*Memorandum*

AND

*Articles of Association*

OF

**PILANI INVESTMENT AND INDUSTRIES CORPORATION LIMITED**

**CIN: L24131WB1948PLC095302**

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Company No. 829

**CERTIFICATE OF CHANGE OF NAME**

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES UNDER  
THE COMPANIES ACT, 1956**

**IN THE MATTER OF  
PILANI INVESTMENT CORPORATION 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 Regional Director W. R. Bombay Ministry of Law Justice & C. A., Department of Company Affairs, by their No. RD: 56 (21) 9/81 dated the 29-12-81.

to the address of M/s. Pilani Investment Corpn. Ltd.  
Birlanagar, Gwalior (M.P.)

the name of Pilani Investment Corporation Limited.

has this day been changed to  
**PILANI INVESTMENT AND INDUSTRIES CORPORATION LIMITED**

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

Dated this Thirteenth day of January one thousand nine hundred and Eighty Two.



Sd/-  
13-1-82  
(S. K. SAXENA)  
Registrar of Companies  
Madhya Pradesh Gwalior

No. 2075/J.S.C.  
Dated 7th January, 1953.

## Certificate of Incorporation on Change of Name

(Pursuant to Section 11 (2) & (5) of the Indian Companies  
Act VII of 1913)

I hereby certify that Messrs. Investment Corporation Limited Pilani having through inadvertence registered itself by a name identical by which a company in existence is previously registered, has with my sanction changed its name and is now called the "PILANI INVESTMENT CORPORATION LIMITED, PILANI" and that such new name has this day been entered in the register.

Give under my hand at Jaipur this Sixth day of  
January One Thousand Nine Hundred and Fifty Three.

Seal of Registrar  
Joint Stock Com-  
panies Rajasthan,  
Jaipur

Sd/-  
R. P. Bhargava  
Registrar, Joint Stock Companies  
Rajasthan — Jaipur





**Certificate for Commencement of Business.**

[Pursuant to Section 103(2) of the Jaipur Companies' Act, 1942]



*I hereby certify that the **INVESTMENT CORPORATION LIMITED** which was incorporated under the Jaipur Companies' Act, 1942, on the ninth day of August, 1948, and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 193 (1) (a) to (d) of the said Act have been complied with, is entitled to commence business.*

*Given under my hand at Jaipur this twelfth day of August one thousand nine hundred and forty-eight.*

**Sd. L. N. CHATURVEDI**  
*Registrar of Joint Stock Companies,  
Jaipur State, Jaipur*

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**PILANI INVESTMENT AND INDUSTRIES CORPORATION LIMITED**

- I. The name of the Company is **PILANI INVESTMENT AND INDUSTRIES CORPORATION LIMITED**.\*
- II. The Registered Office of the Company shall be situated in State of West Bengal.❖
- III. The objects for which the Company is established, are :—
- (1) To carry on in Indian Union or elsewhere, trade or business in cloth, piecegoods, hosiery goods, ready-made garments, cotton, yarn, silk, artificial silk, wool, flax cotton waste, yarn waste, hemp, jute and other textile fabrics of whatever description whether made in India or foreign country, as wholesale dealers, retailers, commission agents, selling agents, or stockists, and to buy or sell the same either for ready or for future delivery.
- (2) To do export and import trade or business in cloth, hosiery goods, piecegoods, ready-made garments, cotton, yarn, silk, wool, jute, hemp, artificial silk, and all textile fabrics whatever description.
- 2(a). \*\*To carry on business as manufacturers, producers, sellers, importers, exporters, merchants, distributors and dealers in all classes and kinds of fertilizers and all chemicals, organic and inorganic, industrial and chemical preparations, arising from or required in the manufacture of any kind of fertilizer or used in industry, agriculture, medicine, pharmaceutical preservatives, and the purchase, sale and distribution throughout India and elsewhere of all such classes and kinds of fertilizers, chemicals, industrial and other preparations.
- 2(b). \*\* To carry on the business of manufacturers and dealers in cement, cement products, lime, plasters, whiting clay, gravel, sand, concrete mortar, minerals, earth, artificial stone and builder's requisites and convenience of all kinds and to produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally deal in cement, Portland cement, pazzolana cement, alumina cement, plaster of paris, silica, lime and limestone, kankar and/or articles, things, compounds and preparations and/or bye-products thereof and in connection therewith to acquire, erect, construct, establish, operate and maintain cement factories, limestone quarries, workshop and other works.

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\* Vide certificate of Incorporation on the change of name Dated 13th January, 1982.

❖ Confirmed by Company Law Board, Western Region Bench, Mumbai, vide its order dated 1st August, 2002.

\*\* Added by a Special resolution passed at the General Meeting of the Shareholders held on 14th August, 1981 and confirmed by the Company Law Board, Western Region Bench, Mumbai vide its order dated 2nd June, 82 in Company Petition No. 139(17) C L B -W R of 1981.

- (3) To carry on business as manufacturers, merchants, dealers, traders, stockists, commission agents, selling agents muddams and brokers in all commodities and merchandise.
- (4) To carry on business as managing agents, selling agents, stockists commission agents and brokers of any company, firm, concern, association or person.
- (5) To employ and appoint managers, brokers, representatives, canvassers, agents and other persons to acquire, establish and maintain agencies and branches, for the purpose of manufacture, purchase, sale or supply of any commodity, or merchandise, or for the conduct of the business of the Company, at any place or places.
- (6) To carry on in India union or elsewhere business as investors, brokers, merchants, agents, financiers, factors, bankers, manufacturers etc., and also business, as buyers, sellers, dealers, exporters and importers of all kinds of produce, raw material, manufactured goods and merchandise whatsoever.
- (7) To carry on the business of spinners, weavers, manufacturers, ginner, balers and pressers of cotton, kapas, yarns, cotton waste, yarn waste, hemp, jute and any other fibrous material and the cultivation thereof, and the business of manufacturers, knitters, weavers, dyers bleachers, printers, or embroiderers of cloth, hosiery goods, etc., and to transact all manufacturing or treating and preparing processes and mercantile business that may be necessary or expedient and to purchase and vend the raw material and manufactured articles.
- (8) For the purpose of carrying on any of the aforesaid business or otherwise howsoever to purchase houses and buildings of any description or tenure whether freehold or leasehold or to purchase, acquire or take on lease vacant land for the purpose and to erect buildings thereon and to let, sell, alienate, assign, demise, sub-demise or otherwise deal with the same.
- (9) To carry on any other trade or business of any description whatsoever which may seem to the Company capable of being advantageously or conveniently carried on by the Company or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's assets, property or rights.
- (10) To acquire, produce by cultivation, manufacture, treat, buy, sell, hypothecate, deal in and dispose of any commercial article.
- (11) To acquire and undertake and to work the whole or any part of the business, property and liabilities of any person, firm or company carrying on or (in case of a company) formed to carry on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of this Company.
- (12) To apply for purchase or otherwise acquire any patents, brevets d'inventions, licenses, concessions, monopolies, trademarks and the like conferring any exclusive or nonexclusive or limited right to use or any secret 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 calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired.

- (13) To enter into partnership or into any arrangement for sharing or pooling profits, union of interests, Co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engaged in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company, and to lend money to or guarantee the contracts of or otherwise assist any such person or company; and to take, subscribe for, or otherwise acquire shares, debentures and securities of any such company or of any other company dealing with this Company, and to hold, sell, reissue with or without guarantee or otherwise deal with the same.
- (14) To sell, let, exchange or otherwise deal with the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, fully or partly paid, debentures or debenture-stock (redeemable or perpetual) or securities of any other company having objects altogether or in part similar to those of this Company, and if thought fit, to distribute any such shares, debentures, debenture-stock or securities amongst the members of this Company either by way of dividends or upon any return of capital.
- (15) To promote any other company for the purpose of acquiring all or any of the property and liabilities of this Company or for any other purpose which may seem, directly or indirectly, calculated to benefit this Company, and to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, registration and advertising of any such company and the issue of its capital securities, and to guarantee the payment of any debenture, debenture-stock or other securities issued by any such company and the interest thereon, and the payment of interest or dividends upon the stock and shares of any such company, and to take or otherwise acquire and hold shares in any such company.
- (16) To invest and deal with the moneys of the Company, and in particular to subscribe for or otherwise acquire and to hold and deal with the perpetual or redeemable debentures or debenture-stock or obligations or the shares, fully or partly paid, or stock of any company in India or elsewhere.
- (17) To allot shares in this Company to be considered as fully or partly paid up in payment for any property of whatever description which the Company may acquire.
- (18) \* To accept deposits of money for the purposes of financing the company's business as traders and to lend money on mortgage of immovable property or without security to such person or persons, firms, companies, etc. and on such terms as may seem expedient and in particular to customers and other persons, firms, companies etc. having dealings with the company and to guarantee the performance of contracts by any such persons, firms or companies, etc. provided, however, that nothing here in above shall be deemed to include the power to the company to do the business of Banking as defined in Section 5(1) (b) of the Banking Companies Act, 1949.
- (19) To borrow or raise or secure the payment of money in such manner as the Company may think fit and in particular by the issue of bonds, debentures

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\* Substituted by a Special Resolution passed on 18th November, 1958.



- tures, debenture-stock, perpetual or otherwise charged upon all or any part of the Company's property (both present and future) including its uncalled capital, and to purchase, redeem or pay off any such securities.
- (20) To sell, improve, manage, work, develop, lease, mortgage, charge, hypothecate, deposit by way of loan or otherwise, dispose off, turn to account or otherwise deal with all or any part of the property of the Company, whenever or however acquired.
  - (21) To procure the Company to be registered or recognised in any foreign place or country.
  - (22) To do all or any of the above things as principles, agents contractors, trustees, or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others, and to establish agencies or branches for the purpose of the Company's business in such place or places as may be considered necessary, and to transact general agency business.
  - (23) To enter into arrangements with the Government of Jaipur or Government of Indian Union or any Local Government or with any authorities, Municipal, Local or otherwise, or with any Rajas, Zamindars, Landholders or other persons that may seem conducive to the Company's objects or any of them, and to obtain from or to acquire by grant, purchase or otherwise from any such Government or authority, Rajas, Zamindars, Landholders or other persons any rights, grants, privileges and concessions of property or otherwise which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
  - (24) To obtain or assist in obtaining any provisional or other Order or license or any act of Parliament, or law, order or charter of any legislature or government, for enabling the Company to carry any of its objects into effects.
  - (25) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
  - (26) To establish and support or to aid in the establishment and support of associations, institutions, funds, trusts and conveniences (except associations or institutions formed for the purpose of life insurance) calculated to benefit employees or ex-employees of the Company or its predecessors in business or the relatives or dependents of such persons and to grant pensions or allowances and to subscribe or guarantee money for charitable or benevolent object or for any exhibition or for any public, general or useful objects.
  - (27) To remunerate the servants of the Company and others out of and in proportion to the profits of the company or otherwise as the Company may think fit.
  - (28) To remunerate any person or company for services rendered, or to be rendered in acting as trustees for debenture or debenture-stock holders or placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital, or any debentures, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business or for



guaranteeing payment of such debentures or debenture-stock and interest.

- (29) To appoint attorneys and agents, whether by commission or otherwise, and to constitute agencies and sub-agencies of the Company in India or elsewhere.
- (30) To adopt such means of making known to the public the business of the Company as may seem expedient and in particular by advertising in the press, by circulars and by publication of books and periodicals.
- (31) To manage, let, mortgage, sell, under let or otherwise turn to account, dispose of, or deal with all or any part of the real or immovable and personal or movable property and rights of the Company, whenever and however acquired.
- (32) To distribute any of the property of the Company in specie among the members, but no distribution amounting to a reduction in capital shall be made without the sanction, if any, for the time being required by law.
- (33) To pay out of the funds of the Company all costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (34) Generally to do and perform all such acts and things as may in the opinion of the Directors of the Company for the time being be conducive or incidental to the attainment of the above objects or any of them.

And it is hereby declared that the word "Company" in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority or partnership or other body of persons, whether incorporated or not and whether domiciled in Jaipur State or elsewhere; and the intention is that the objects set forth in each of the several paragraphs of this Clause shall have the widest possible construction and shall in no ways be limited or restricted by reference to or inference from the terms of any other paragraphs of this Clause or the name of the Company.

**IV. The liability of the members is limited.**

- \*V. The Authorised Share Capital of the Company is ₹ 25,00,00,000/- (Rupees Twenty Five Crores) only divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten) only each, with the rights, privileges and conditions attached thereto as per the relevant provisions contained in that behalf in the Articles of Association of the Company and with the power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes (being those specified in the Companies Act, 2013) and to attach thereto respectively such preferential qualified or special rights, privileges or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being in force.

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\* Amended by Ordinary Resolution passed by the Shareholders through Postal Ballot (the Resolutions are deemed to be passed on Sunday, the 20<sup>th</sup> December, 2020, i.e the last date specified for the remote e-voting as informed vide Notice of Postal Ballot dated 10<sup>th</sup> November, 2020)

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

Name, Addresses and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.	Name, Address and Description of Witness.
1. <b>Mr. L. N. Birla</b> P.O. Pilani (Jaipur State), Merchant.	50	Mahabirprashad Halwai, Pilani, (Jaipur State) Merchant.
2. <b>Mr. M. P. Birla</b> P.O. Pilani (Jaipur State), Merchant.	50	
3. <b>Mr. D. P. Mandelia,</b> P.O. Pilani (Jaipur State), Merchant.	50	
4. <b>Mr. Ranglal Daga</b> Jiyajeeroa Cotton Mills Ltd. Gwalior, Service	1	
5. <b>Mr. G. R. Mandelia</b> Gwalior Industrial Bank Ltd. Gwalior, Service	1	
6. <b>Mr. B. D. Bagrodia</b> Jiyajeeroa Cotton Mills Ltd. Gwalior, Service	1	
7. <b>Mr. B. L. Parwal</b> Gwalior Industrial Bank Ltd. Gwalior, Service	1	
<b>TOTAL</b>	154	

the 9th August, 1948.

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## **ARTICLES OF ASSOCIATION**

(Adopted on 27th September, 1962)

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**ARTICLES OF ASSOCIATION**  
**OF**  
**PILANI INVESTMENT AND INDUSTRIES CORPORATION LIMITED**

**GENERAL**

1. The Regulations contained in Table "A" in Schedule I of the Companies Act I of 1956 shall not apply to this Company except so far as the same are adopted in these Articles. Table 'A' not to apply.

2. The marginal notes hereto shall not affect the construction hereto and in the interpretation of these Articles the following expressions shall have the following meanings in these presents unless repugnant to the subject or context :— Interpretation.

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

"The Company" or "this Company" means Pilani Investment and Industries Corporation Limited.

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

"Debenture" includes debenture stock.

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

"Dividend" includes bonus.

"Gender" – words importing the masculine gender also include the feminine and vice versa.

"In writing" and "written" means and includes words written, lithographed, type written, printed, represented or reproduced in any mode in a visible form.

"Month" means calendar month.

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

"Person" includes firm, corporation as well as individuals.

"Register" or "Register of members" means the register of shareholders or members to be kept pursuant to Section 150 of the Act.

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

"Singular number" – words importing the singular number include where the context admits or requires the plural numbers and vice versa.

“Special Resolution” and “Ordinary Resolution” have the meaning assigned thereto respectively by Section 189 of the Act.

“The Companies Act” or “The Act” means the Companies Act I of 1956 or any statutory modification or re-enactment thereof for the time being in force.

“These presents” means the Memorandum of Association and these Articles of Association and the regulations of the company for the time being in force.

Added by Special Resolution passed in the Annual General Meeting of the shareholders held on 29th Sept. 2000 by inserting following heading and new Articles 2A after Article 2.

#### DEMATERIALIZATION OF SECURITIES

❖2A. For the purpose of this Articles :-

“Beneficial Owner” means a person whose name is recorded as such with a Depository.

“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.

“Bye-Laws” means bye-laws made by a Depository under Section 26 of the Depositories Act.

“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.

“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.

“Security” means such security as may be specified by the SEBI from time to time.

“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 a 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.

#### PRELIMINARY

- |                                           |    |                                                                                                                                                                              |
|-------------------------------------------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Funds not to be lent on Company's shares. | 3. | None of the funds of the Company shall be employed in the purchase of or lent on shares of this Company.                                                                     |
| Copies of these presents to be furnished. | 4. | Copies of the Memorandum and Articles of Association of the Company shall be furnished to every shareholder at his request on payment of the sum of rupee one for each copy. |

#### CAPITAL & SHARES

- |                                        |    |                                                                                                                                       |
|----------------------------------------|----|---------------------------------------------------------------------------------------------------------------------------------------|
| Shares under the control of Directors. | 5. | Subject to the provisions of these Articles and the Act the shares shall be under the control of the Directors who may subject to the |
|----------------------------------------|----|---------------------------------------------------------------------------------------------------------------------------------------|

❖ Added by a special Resolution passed at the Annual General Meeting of the Shareholders held on 29th September, 2002.



provisions of Section 78 to 81 of the Companies Act allot or otherwise dispose off the same or any of them to such persons and on such terms and conditions and either at premium or at par or discount and at such time as the directors think fit. As regards allotment from time to time the law in force if any relating thereto shall be compiled with.

- |     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                               |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| 6.  | Subject to the provisions of Section 80 and 81 of the Companies Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner, as the Company before the issue of shares may, by special resolution determine.                                                                                                                                                                                                                                                                                                                                                                                             | Redeemable preference shares.                                 |
| 7.  | Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Calls for further capital to be made on uniform basis.        |
| 8.  | The Directors may allot and issue shares in the capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the company in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully or partly paid up shares, and if so issued, shall be deemed to be fully or partly paid up shares, as the case may be.                                                                                                                                                                                                                                                           | Directors may allot shares for consideration other than cash. |
| 9.  | (1) The Company may exercise the powers of paying commissions conferred by Section 76 of the Companies Act provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section.<br>(2) The rate of the commission shall not exceed the rate of five percent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to five per cent of such price as the case may be.<br>(3) The Commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.<br>(4) The Company may also, on any issue of shares, pay such brokerage as may be lawful. | Commission for placing shares.                                |
| 10. | The Board of Directors Shall observe the restrictions as to the allotment of shares to the public as contained in Section 69 and 70 of the Act and shall also cause, as required by Section 75 of the Act, the return of allotment to be filed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Restrictions on allotments.                                   |

#### INCREASE AND REDUCTION OF CAPITAL

- |     |                                                                                                                                                                                                                                                                                                                                                  |                                                             |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| 11. | The Company may from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.                                                                                                                                                               | Power to increase capital.                                  |
| 12. | The new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto as may be specified in the resolution sanctioning the increase of share capital and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of Company. | On what conditions new shares may be issued.                |
| 13. | Except so far as otherwise provided by the conditions of issue, or by these presents, any capital raised by the creation of new shares shall be considered part of the original ordinary capital and shall be subject to the provisions herein contained with reference to the payment of calls                                                  | How far new shares to rank with shares in original capital. |

and instalments, transfer and transmission, forfeiture, lien, voting and otherwise.

Offer of new Capital.

14. When the Company in the general meeting or the Board of Directors decide to increase the subscribed capital of the company by the allotment of further shares, such 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 the circumstances admit, to the capital paid up on those shares at that date; and such offer shall be made by a notice specifying the number of shares offered and limiting a time, not being less than fifteen days from the date of the offer, within which the offer if not accepted will be deemed to have declined. The offer aforesaid shall include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person acceptable to the Board of Directors. 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 of Directors may dispose of them in such manner as it thinks most beneficial to the Company.

Notwithstanding anything contained in the preceding paragraph the further shares aforesaid may offered to any persons (whether or not those persons include the persons who at the date of the offer are holders of the equity shares of the Company) in any manner whatsoever,

- (a) If a special resolution to that effect is passed by the company in the general meeting ; or
- (b) When no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by the members so entitled and voting and the Central Govt. is satisfied on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

Reduction of capital.

15. The Company may, by special resolution, reduce in any manner and with and subject to, any incident authorised and consent required by law :-
- (a) its share capital ;
  - (b) any capital redemption reserve fund, or
  - (c) any share premium account.

#### **SUB-DIVISION AND CONSOLIDATION OF SHARES**

Sub-division and consolidation of shares.

16. The Company may by ordinary resolution :-
- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares ;
  - (ii) convert all, or any of its paid-up shares into stock and reconvert that stock into paid up shares of any denomination ;
  - (iii) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid of such reduced shares shall be the same as it was in the case of the share from which the reduced share is derived ; and

(iv) cancel shares, which at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

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

#### MODIFICATION OF RIGHTS

18. Whenever the share capital is divided into different classes of shares all or any of the rights and privileges attached to any class may be modified or varied by the Company.
- Powers to modify rights.

(a) by agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is ratified in writing by the holders of at least three-fourth in nominal value of the issued shares of that class, or

(b) with the consent in writing of the holders of not less than three-fourth of the issued shares of that class, or

(c) with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class.

This article is not to derogate from any power of the company which would have had if this clause was omitted. The power conferred upon the Company by this clause is subject to Section 106 and 107 of the Companies Act.

#### JOINT-HOLDERS OF SHARES

19. If any share is registered in the names of two or more persons as joint holders thereof, the person first named in the register shall as regards delivery of the share certificates, receipt of dividend or bonus share or service of notices and all or any other matter connected with the Company except, voting, or appointing proxy at meetings and the transfer of shares, be deemed to be the sole owner thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all the instalments and calls due in respect of such share and for all incidentals thereof according to the company's regulations. Upon the death of a registered joint owner the surviving registered joint owners or owner shall be deemed by the company to be absolutely entitled to the shares.
- Joint-owners of shares.

#### TRUST NOT RECOGNISED

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

#### ADDRESS AND NAME

21. Every member shall leave in writing at the registered office of the Company his permanent address in India, occupation and father's name (Husband's name in case of married women) and will also intimate to
- Members to furnish informations.

the Company any change therein from time to time. Such address for all purpose shall be deemed to be his proper address for the purposes of any correspondence by the Company.

Change of name.

22. No shareholders, who shall change his or her name, shall be entitled to recover any dividend or to vote until notice of such change of name has been given to and registered by the Company.

#### SHARE CERTIFICATES

Share certificate.

- \*23. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within 3 months after allotment and within 2 months after the receipt of the application for registration of transfer (or within such other period as the conditions of issue shall provide) certificate or certificates for all his shares without payment and no fee shall be charged for the issue of new share certificate or certificates consequent upon sub-division or consolidation of shareholding into denomination corresponding to the market units of trading.
- (2) Every certificate shall be under the seal of the Company and signed as provided under Article 133 of the Articles of Association of the Company and shall specify the shares to which it relates and the amount paid-up thereon.

Endorsement of transfer of shares or payment of call.

24. Every endorsement of transfer in favour of any transferee thereof or payment of a call upon the certificate of any share shall be signed by a Director or by any other person for the time being duly authorised by the Directors in that behalf.

Renewal of Share certificate.

- +25. (a) If a certificate be worn out, torn or defaced, it shall on request, be replaced subject to the provisions of the Companies (Issue of Share Certificate) Rules 1960 by a new certificate free of charge provided such new certificate shall not be granted except upon the delivery of worn out, torn or defaced certificate for the purpose of cancellation. The renewed certificates shall be marked as such.
- (b) If a certificate is lost or destroyed a new certificate may, subject to the provisions of Companies (Issue of Share Certificate) Rules, 1960, be issued in lieu thereof, with the prior consent of the Board on payment of a fee of rupee one and also out-of-pocket expenses if any incurred by the Company in investigating evidence as the directors may deem reasonable of the loss of any certificate, be afforded to them and that such indemnity be given as the directors may think necessary. Any duplicate certificate so issued shall be marked as such.
- (c) In the event of a certificate being filled up with endorsement and a further transfer of the shares to which it relates being made or required a new certificate shall, subject to the provisions of the Companies (Issue of Share Certificate) Rules 1960, be issued on the surrender of the filled up certificate and on payment of such sum as is equal to the stamp duty payable thereon on free of charge as the Directors may from time to time decide.

In case of capital shares held jointly company not bound to issue more than one certificate.

26. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and

\*Substituted by a Special Resolution passed at the Annual General Meeting of the shareholders held on 26th September, 1969.

+ Amended by a Special Resolution passed at the Annual General Meeting of the shareholders held on 26th September, 1969.

delivery of certificate for a share to the first named in the register shall be sufficient delivery to all such holders.

**CALLS**

- 27. The Directors may from time to time, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively whether on account of nominal value of shares or by way of premium and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may made payable by instalments. A call may be revoked or postponed at the discretion of the Board.

Calls.
- 28. At least fourteen days' notice of any call shall be given by the Company either by letter to the members or advertisement specifying the time and place of payment, and the person to whom such call shall be paid.

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

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

Directors may extend time for payment of a call.
- 31. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at the rate of twelve per cent per annum from the day appointed for the payment thereof to the time of actual payment, or at such other rate as the Directors may determine. The Directors may in their absolute discretion waive the payment of interest wholly or in part in case of any person liable to pay such call or instalment.

Calls to carry interest.
- 32. 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 for nonpayment of the whole or any balance due in respect of the shares.

Partial payment or any indulgence shown not to preclude forfeiture.
- 33. The Directors may, if they think fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the capital due upon the shares held by him beyond the sums actually called for ; and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon, but not more than 6% per annum unless the Company in general meeting shall otherwise direct. The Directors may at any time repay the amount so advanced on giving to such member one month's notice in writing. The member shall not however be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment become presently payable.

Payment of calls in advance.



- Evidence in action for call. 34. On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member is entered in the register as the holder of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the Minute Book and that notice of such call was duly given to the member or his representative in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever but the proof of the matters aforesaid shall be conclusive proof of the debt.
- Amount payable at fixed times or by instalments payable as calls. 35. If by the terms of issue of any share or otherwise, the whole or any of the amount or issue price there of is made payable at any fixed time or by instalment at fixed times, every such amount or issue price or instalment there of shall be payable as if it were a call duly made by the Directors and for which due notice had been given, and all the provisions herein contained in respect of calls shall apply to such amount or issue price or instalment accordingly.
- Every member to pay the proportion of the capital represented by his share. 36. Every member, his executors or administrators shall pay to the Company the proportion of 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 Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.
- Company to recognise interest in dematerialized securities under Depositories Act. \*36A. (1) 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 dematerialized, 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 modification thereto or re-enactment thereof.
- Dematerialisation of Securities. (2) Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, rematerialise its securities held in the depositories and/or offer its fresh securities in a dematerialized form pursuant to the Depositories Act and the rules framed thereunder, if any.
- Options to receive security certificates or hold securities with Depository. (3) 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 a 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 allottee as the Beneficial owner of the security.
- Securities in Depositories to be in fungible form. (4) All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in sections 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 Owners.
- Rights of Depositories and Beneficial Owners. (5) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the

\* Added by a special resolution passed in the Annual General meeting of the shareholders held on 29th Sept. 2000 by inserting new article 36A after Article 36.

registered owner for the purposes of effecting transfer or 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.

- 6) 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 or 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 and 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 an 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 at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
- Beneficial Owner deemed as absolute owner.
- (7) 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 bye laws and the Company in that behalf.
- Depository to furnish information.
- (8) Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the register owner in respect of the said securities and shall also inform the Depository accordingly.
- Cancellation of certificates upon surrender by a person.
- (9) If a Beneficial Owner seeks to opt out of a Depository in respect of any security the Beneficial Owner shall inform the Depository accordingly.
- Option to opt out in respect of any security.
- The Depository shall on receipt of information as above make appropriate entries in its records 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 on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
- (10) 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 floppies or disks.
- Service of Documents.
- (11) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture
- Provisions of Articles to apply to shares held in Depository.

of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act.

Allotment of Securities dealt with in Depository.

(12) Notwithstanding anything 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.

Distinctive number of Securities held in a Depository.

(13) Nothing contained in the act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

Register and index of Beneficial Owners.

(14) The Company shall cause to be kept a Register and index of Members and a Register and index of Debenture holders in accordance with Sections 151 and 152 of the Act respectively, and the Depositories Act, with details of shares and debentures held in material and dematerialized 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 Depositories Act shall be deemed to be Register and index of Members and Register and index of Debentureholders, 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.

Overriding effect of this article.

(15) Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Article of these presents.

#### TRANSFER AND TRANSMISSION OF SHARES

Mode of transfer.

37. (a) An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Article 44, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in its register of members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- (b) For the purposes of sub-clause (a) notice to the transferee shall be deemed to have been duly given if despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
- (c) The instrument of transfer of any Share shall be duly stamped and executed both by the transferrer and transferee and shall contain the name, address, occupation and Father's/husband's name of the transferee. Each signature to such transfer shall be duly attested by one witness who shall add his address and occupation.

- \* (d) Notwithstanding anything contained in Article 37, the Board or a Committee thereof may in their absolute discretion refuse sub-division of share certificates into denominations of less than the marketable lots except where subdivision is required to be made to comply with a statutory provision or an order of a competent court of law. Right to refuse Subdivision.
- \*\*37A. Without prejudice to the provision of Article 37, the Board may not accept any application for registration of transfer of less than 50 ordinary shares, provided, however, that this condition shall not apply to :—
- i. a transfer of shares made in pursuance of any statutory provision or an order of a Court of Law ;
  - ii. the transfer of the entire shares by an existing shareholder holding less than 50 ordinary shares by a single transfer to a single or joint names ;
  - iii. the transfer of the entire shares of an existing shareholders holding less than 50 ordinary shares to one or more transferees whose holding in the Company will not be less than 50 ordinary shares after the said transfer ;
  - iv. the transfer of not less than 50 ordinary shares in the aggregate in favour of the same transferees in two or more transfer deeds submitted together within which one or more relate/s to the transfer of less than 50 ordinary shares.
38. The instrument of transfer of any share shall be duly stamped and executed both by the transferor and the transferee and shall contain the name, address and occupation of the transferee. Each signature to such transfer shall be duly attested by one witness who shall add his address and occupation. Instrument of Transfer to be stamped and executed.
- \*\*\*39. Added by a special resolution passed in the Annual General Meeting of the Shareholders held on 19th September, 1990 by Inserting New Article No. 37d after existing Article No. 37(c). Shares in the Company shall be transferred by instrument in writing in such form as shall from time to time be permissible to be used under the relevant provisions of the Act in that behalf. The Directors may from time to time alter or vary the form of such transfer but so as to comply with the provisions of the Act in that behalf. All the provisions of Section 108 of the Companies Act, 1956 for the time being in force shall be duly complied with in respect of all the instruments of transfer of Shares. Form of transfer.
40. The transferor shall be deemed to remain the holder of such share (or shares) until the name of the transferee is entered in the register of members in respect thereof. Transferor to remain holder of share until transferee's name entered in the register.
41. Every instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares, provided that where it is proved to the satisfaction of the Transfer to be left at office and evidence of title given.
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- \* Added by a Special Resolution passed in the Annual General Meeting of the Shareholders held on 19th September, 1990.
- \*\* Added by a Special Resolution passed at the Annual General Meeting held on 29th September, 1987.
- \*\*\* Substituted by a special Resolution passed at the Annual General Meeting of the shareholders held on 30th September, 1968.

Directors of the Company that an instrument of transfer signed by the transferor and transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity as the Directors may think fit.

42. Deleted by a special Resolution passed at the Annual General Meeting of the shareholders held on 28th September, 1964.
- Shares not to be transferred to minor or person of unsound mind. 43. No transfer shall be made to any minor, or person of unsound mind, but in the event of such transfer being registered, the transferor shall remain liable to the Company for all moneys due on the shares so transferred notwithstanding such transfer.
- Directors may decline to register transfer. 44. The Directors may subject to the right of appeal conferred by Section 111 of the Companies Act, 1956, without assigning any reason, decline to register any transfer to a transferee of whom they do not approve.
- Notice of refusal to be given to the transferor and transferee. 45. In case of refusal to register the transfer of any shares, the Directors 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 a notice of refusal. All instruments of transfer, which shall be registered shall be retained by the company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.
- Closing of transfer books. 46. The Directors may, on giving seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situate, close the transfer books and Register of Members for any time or times not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.
- Registration of transfer conclusive evidence of approval by Directors. 47. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transfer so far only as the shares transferor are concerned but not further or otherwise nor shall it incapacitate the Directors from claiming the right to refuse registration of transfer of shares on any subsequent transfers applied for.

#### TRANSMISSION OF SHARES

- Transmission of registered Shares. 48. The executors or administrators or the holders of a succession certificate in respect of shares of a deceased member (not being one of several joint-holders) shall be the only persons whom the Company, shall recognise as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint holders of any registered shares, the survivor or survivors shall be the only persons recognised by the company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator or legal heir the Directors may require him to obtain a grant of Probate or Letters of Administration or Succession Certificate or other legal representation, as the case may be, from some competent Court ; Provided nevertheless that in any case where the Directors in their absolute discretion think fit it shall be lawful for the Directors to dispense with the production of probate or Letters of administration or a Succession Certificate or such other legal representation upon such terms as to indemnity or otherwise as the Directors may think fit and under the next article register the name of



any person who claims to be absolutely entitled to the share standing in the name of the deceased person.

49. (a) Any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors think sufficient, may, with the consent of the Directors (which they shall not be under any obligation to give) and upon giving such indemnity as the Directors think fit, either be registered himself as the holder of such shares, or may, subject to the regulations as to transfer here in before contained, elect to have some person nominated by him and approved by the Directors, registered as the transferee thereof ; 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 of such shares in accordance with the provisions herein contained, and until he does so, he shall not to be freed from any liability in respect of the shares. This Article is hereinafter referred to as the "transmission clause".
- (b) The Directors shall have the same right to refuse to register a person entitled by transmission of any share or his nominee, as if he was the transferee named in an ordinary instrument of transfer presented for registration.

Registration of person entitled to share otherwise than by transfer.

Directors may refuse to register transmission.

Added by a special resolution passed in the Annual General Meeting of the Shareholders held on 29th September, 2000 by inserting following heading and new Article 49A after Article 49(a)(b) :—

#### **NOMINATION FOR SHARES & DEBENTURES**

- 49A. (1) Notwithstanding anything contained in these Articles every holder of Shares or Debentures of the Company may, at any time, nominate a person to whom his Shares or Debentures shall vest in the event of his death and the provisions of Section 109A and 109B of the Act shall apply in respect of such nomination.
- (2) No person shall be recognised by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the Shares or Debentures of the Company in the manner specified under Section 109A of the Act.
- (3) The Company shall not be in any way responsible for transferring the Shares and/or Debentures consequent upon such intimation in the event of death.
- (4) If the holder(s) of the Shares or Debentures survive the nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.
50. The Company shall incur no liability or responsibility what ever in consequence of its registering or giving effect to any transfer of shares, made or purported 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 in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting

Nomination for Shares & Debentures.

Company not liable for disregard of notice prohibiting transfer.

registration of such transfer and may have entered such notice or referred thereto, in the 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 to do so, 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.

### CONVERSION OF SHARES INTO STOCK

Conversion of paidup shares into stock.

51. (a) The Company may, by ordinary resolution :—

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

and

(ii) reconvert any stock into paid-up shares of any denomination.

Transfer of stock.

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

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

Power & right of stockholders and of the owners of sub-divided or consolidated shares.

(c) 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 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.

Articles to apply to stock.

(d) Such of the Articles of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "share-holder" in these presents shall include "stock" and "stock-holder" respectively.

### LIEN ON SHARES

Company's lien on shares.

52. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that this clause is to have full effect. And such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares.

As to enforcing lien by sale.

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

the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice.

54. The net proceeds of the 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 be paid to such member, his executors or administrators or assigns or his committee, curator bonis or other legal representatives as the case may be. Application of proceeds of sale.

#### FORFEITURE OF SHARES

55. 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, the Directors may at any time thereafter, during such time as any part of such call or instalment remains unpaid, serve a notice on such member 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 call or instalment not paid, notice may be given.
56. The notice shall name a further day (not earlier than the expiry of fourteen days from the date of service of the notice) on or before which and a place or places at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. Form of notice.
57. (a) If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time there after before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. If notice not Complied with shares may be forfeited.
- (b) When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. Notice of forfeiture to the member.
58. Any shares so forfeited shall be deemed to be the property of the company and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they may think fit. Forfeited share to become property of Company.
59. (1) A person whose share have been forfeited shall cease to be a member in respect of the forfeited share but shall notwithstanding forfeiture remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares. Arrears to be paid notwithstanding forfeiture.
- (2) The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the shares, and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.
- (3) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

- (4) A duly verified declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the company has been duly forfeited on a date sated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and that the declaration and the receipt for the consideration, if any, given for the share on the sale or disposal thereof shall constitute a good title to the share.
- (5) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (6) The transferee shall thereupon be registered as the holder of the share.
- (7) The transferee shall not be bound to see to application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the shares.
- (8) The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Directors may accept  
surrender of any share.

60. The Directors may accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof or on any other terms they think fit. Provided that the Directors shall not have the power to purchase the share of any member with the money of the Company.

Validity of Sales.

61. Upon any sale after forfeiture or surrender or for enforcing a lien exercised by virtue of the powers here in before given the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold, and the person to whom the share is sold or disposed of shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidities in the proceedings in reference to the forfeiture, sale or disposal of the share. The validity of 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.

Power to issue new  
certificate.

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

Power to annul forfeiture.

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

#### MEETINGS OF SHAREHOLDERS

When annual general  
meetings to be held.

64. (a) The First Annual General Meeting shall be held by the Company within 18 months of its incorporation.  
(b) If the first Annual General Meeting is held within a period of 18 months from the date of its incorporation, it shall not be neces-



sary for the company to hold any Annual General Meeting in the year of its incorporation or in the following year. The subsequent Annual General Meeting of the Company shall be held within Six months after the expiry of each financial year. Provided that with the permission of the Registrar the time for holding the Annual General Meeting may be expended by a further period not exceeding three months. Except in the case referred to in the foregoing provisions not more than 15 months shall elapse between the date of one annual general meeting and that of the next.

- (c) Every Annual General Meeting shall be called for a time during business hours on a day that is not a public holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated and the notices calling the meeting shall specify it as the Annual General Meeting.
- 65. Excepting the Annual General Meeting referred in Article 64 and the Extra-ordinary General Meeting called on the requisition as referred to in Article 66(b), all other Meeting of the company shall be called the General Meeting of the Company. Distinction between the meetings.
- 66. (a) The Directors may whenever they think fit shall call an extra-ordinary general meeting of the Company. When extra-ordinary meetings to be called.
- (b) The Directors shall on the requisition of such member of the Company as is specified in sub-section (4 of section 169 of the Companies Act, forthwith proceed to duly convene an extra-ordinary general meeting of the Company, and in the case of such requisition the provisions of Section 169 of the Companies Act shall apply.
- 67. A General Meeting of the Company may be called by not less than twenty-one days' notice in writing but a General Meeting, may be called after giving shorter notice than that specified above if consent is accorded thereto in the case of an annual general meeting, by all the members entitled to vote there at and in case of any other meeting by members of the Company holding not less than 95% of such part of the paid up share capital of the Company as gives a right to vote at the meeting, provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this Article in respect of the former resolution and not in respect of the latter. Notice of Meetings.
- 68. (1) A notice of the General Meeting of the company specifying the place, the day and hours of the meeting with a statement of the business to be transacted at the meeting shall be given in any manner authorised by Section 53 read with Section 172 of the act and Articles 160 to 168 (1) to every member of he Company, (2) to the person entitled to a share in consequence of the death or insolvency of a member and (3) to the Auditor or Auditors for the time being of a Company. Service of notice.
- \* (2) (a) Where by the provisions under Section 225, 261 and 284 of the Act or in any other provisions contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company Special notice to be given.

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\* Amended by a Special Resolution passed at the Annual General Meeting of the Shareholders held on 30th September, 1968.

not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.

(b) The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notices of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these Articles, not less than seven days before the meeting.

As to omission to give notice.

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

#### PROCEEDING AT GENERAL MEETING

Business of the Annual General Meeting.

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

- (i) the consideration of accounts, balance sheet and profit and loss account and the report of the directors and auditors,
- (ii) the declaration of dividends,
- (iii) the appointment of directors in place of those retiring,
- (iv) subject to section 225 the appoint and the fixing of remuneration of auditors.

(2) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid there shall be annexed to the notice of the meeting a statement setting out all the material facts concerning each such item of business including in particular the nature of the concern or interest if any therein of any director and of the managing agents, secretaries and treasurers of the Manager, if any.

Provided that where any item of special business as aforesaid to be transacted at a meeting of the company relates to or affects, any other company, the extent of shareholding interest in that other company of every director, the Managing Agent, if any, the Secretaries and Treasurers, if any, and the Manager, if any, of this company shall also be set in the statement if the extent of such share holding interest is not less than twenty per cent of the paid up share capital of that other company.

(3) Where any item of business to be transacted at the meeting consists of according the approval of the meeting to any document, the time and the place where document can be instead shall be specified in the explanatory statement.

Quorum.

71. Subject to the provisions of Article 74 the quorum for a general meeting shall be members personally present, not being less than five in number.

Quorum to be present when business commenced.

72. No business shall be transacted at any general meeting unless the quorum requisite shall be present at the commencement of the business. No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the chair is vacant.

Chairman of general meeting.

73. The Chairman of the Board of Directors shall be entitled to take the

chair at every general meeting or, if there be no such chairman or, if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as chairman of the meeting the members present shall choose another Director as Chairman and if no Directors be present , or if all the Directors present decline to take the chair, then the members present shall choose one of their member, being a member entitled to vote to be Chairman.

74. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon such requisition as aforesaid shall be dissolved ; but in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, those members who are present shall be a quorum and may transact the business for which the meeting was called.
75. 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 show of hands) demanded in the manner mentioned in Section 179 of the Companies Act and unless a poll is so 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 book of the proceedings of the company shall be conclusive evidence of the fact, without proof of the number of proportion of the votes recorded in favour of, or against, that resolution.
76. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by the person or persons specified in Section 197 of the Companies Act.
77. If a poll is demanded as aforesaid it shall subject to the provisions of Article 81 be taken in such manner and at such time and place as the Chairman of the meeting directs and either at once or otherwise not being later than 48 hours from the time of such demand and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn.
78. The Chairman of a general meeting may, with the consent of the meeting and shall if so directed by the meeting , adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meetings other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more notice of the adjourned meeting shall be given as in the case of original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
79. In the case of an equality of votes, whether on a show of hands, or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote, in addition to the vote or votes to which he may be entitled as a member.
80. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment, shall be taken forthwith.

When if quorum not present meeting to be dissolved and when to be adjourned.

What is to be evidence of the passing of resolution where poll not demanded.

Poll how demanded.

Poll.

Power to adjourn general meeting.

Casting Votes.

In what cases poll taken, without adjournment.

- Business may proceed notwithstanding demand of poll. 81. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than question on which a poll has been demanded.
- Chairman's decision conclusive. 82. 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 time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### VOTES OF MEMBERS

- Votes of members. 83. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands, every equity share holder whether present in person or by proxy shall have one vote and on a poll the voting right of every equity shareholder whether present in person or by proxy shall be in proportion to his share of the paid-up equity capital of the Company.
- Corporation present by proxy shall be entitled to vote. 84. When a corporation, being a member is present by a proxy who is not a member, such proxy shall be entitled to vote for such corporation on a show of hands.
- Voting rights of preference shareholders. 85. Except as conferred by Section 87 of the Companies Act the holders of preference shares shall have no voting rights. Where the holder of any preference share has a right to vote on any resolution in accordance with the provisions of sub-section (2) of Section 87 of the Companies Act his voting right on a poll as the holder of such share shall subject to the provisions of section 88 and sub-section (2) of Section 92 of the Companies Act be in the same proportion as the capital paid up in respect of the preference share bears to the total paid up equity capital of the Company.
- Voter in case of a lunatic or minor. 86. 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 poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy. If any member is a minor the vote in respect of his share may be given by his guardian or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
- Votes in respect of shares of deceased and bankrupt members. 87. Any person entitled under the transmission clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was 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, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
- Joint holders. 88. Where there are joint holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, and if more than one of such joint holders be present at any meeting, personally, or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this article be deemed joint holders thereof.
- Proxies permitted. 89. Votes may given either personally or by proxy. A proxy shall be entitled to vote either on a show of hand or on a poll.



- 90. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, be under its seal or be signed by an Officer or an attorney duly authorised by it. A proxy need not be a member. Instrument appointing proxy to be in writing.
- 91. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarial certified copy of that power or authority shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. Instrument of proxy to be deposited at office.
- 92. An instrument appointing a proxy may be in either of the following forms :— Form of proxy.

I

**GENERAL FORM**

**Pilani Investment And Industries Corporation Limited**

I/We.....of.....  
 in the District of.....being a member/members of the  
 above named Company hereby appoint.....  
 of.....in the District of.....or failing him  
 ..... of .....in the District of..... as my/our  
 proxy to vote for me/us on my/our behalf at the annual general meeting/  
 general meeting (not being an annual general meeting) of the  
 Company to be held on the .....day of.....  
 and at any adjournment thereof.  
 Signed this.....day of.....

II

\* Form for affording member an opportunity  
 of voting for or against a resolution

**Pilani Investment And Industries Corporation Limited**

I/We.....of.....  
 in the District of.....being a member/members of the  
 above named Company hereby appoint.....  
 of.....in the District of.....or failing him  
 ..... of .....in the District of..... as my/our  
 proxy to vote for me/us on my/our behalf at the annual general meeting/  
 general meeting (not being an annual general meeting) of the  
 Company to be held on the .....day of.....  
 and at any adjournment thereof.  
 Signed this.....day of.....

\* This form is to be used \*in favour of the resolution. Unless otherwise  
 \*against  
 instructed the proxy will act as he thinks fit.

\*Strike cut whichever is not desired.

- With whom Instrument of proxy shall remain. 93. If any such instrument of appointment be confined to the object of appointing an attorney or proxy or substitute it shall remain permanently, or for such time as the Directors may determine, in the custody of the Company, if embracing other objects a certified copy thereof shall be delivered to remain in the custody of the Company.
- When vote by proxy valid though authority revoked. 94. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer, shall have been received at the office before the meeting.
- No member entitled to vote etc. while call due to the company. 95. No member shall be entitled to be present, or to vote on any question, either personally or by proxy, or as a proxy for another member, at any general meeting, or upon a poll, or be reckoned in a quorum, whilst any call or other sum in respect of the shares of such member shall be due and payable to the Company.
- Objection to qualification of a voter. 96. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting and the Chairman of the meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### DIRECTORS

- Number to Directors. \*97. Until otherwise determined by a general meeting the number of Directors shall not be less than three or more than twelve including the Debenture Director, if any, and a majority of Directors shall always be Indians.
- Debenture Director. 98. Any Trust Deed for securing debenture or debenture stocks may if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture stocks of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture stocks from time to time to remove any director so appointed. The Director appointed under this Article is herein referred to as "The Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.
- Qualification of Directors. 99. The Directors shall not be required to hold any qualification shares in the Company.
- Remuneration of Directors. \*\*100. The fees payable to a Director for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed by the Act or the Central Government.

\*Amended by Special Resolution passed at the General Meeting of the Shareholders held on 12th January, 1982.

\*\* Substituted by the Special Resolution passed in the Annual General Meeting of the Shareholders held on 19th September, 1990.

101. If any of the Directors shall be required by the Board to perform extra services for the Company or if is called upon to go out of station for any time in connection with any business of the Company, be shall subject to the provisions of Section 309 of the Companies Act, be entitled to remuneration including travelling allowance for such services, at such rate and in such manner as the directors may determine in each particular case. Remuneration for extra service.
102. The Directors shall be paid all travelling, Hotel & other expenses properly incurred by them in attending and returning from meeting of the Board of Directors or any committee thereof or general meeting of the Company, or in connection with any other business of the Company or in connection with any other work entrusted to him. Travelling allowances and other expenses.
103. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum above fixed, the Directors shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum. Directors any act notwithstanding vacancy.
104. The Directors shall have power at any time, and from time to time, to appoint any person as a Director 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. But any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Power of Directors to appoint additional Directors.
104. A. The Directors of the company may appoint an alternate Director to act for a Director (hereinafter called the "Original Director") during his absence for a period of not less than three months from the State of Madhya Pradesh. An alternate director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the original director returns to the State of Madhya Pradesh. If the term of office of the Original director is determined before he returns to the State of Madhya Pradesh, any provision in the Act or in these Article for the automatic reappointment of retiring directors in default of another appointment shall apply to the original Director and not to the alternate director. Alternate Director.
- \*\*B. Subject to the provisions of the Companies Act, and of these Articles, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included Executive Director, Joint or deputy Managing Director) or whole-time Director or whole-time Directors of the Company or Manager(s) for such term not exceeding five years at a time and upon such terms and conditions as they may think fit, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from Office and appoint another or others in his or their place or places. Power of Directors to fill in the casual vacancy.
- \*\*C. Subject to the provisions of the Companies Act, and of these Articles, a Managing Director or whole-time Director shall not while he continues to hold that office, be subject to retirement by rotation under the Act, but he shall, subject to the provisions of any contract between him and the company be subject to the same When office of Director to be vacated.

\*\*Added by a special Resolution Passed in the General Meeting of the Shareholders held on 21st November, 1988 by inserting New Articles No. 104B, 104C, 104D and 104E after existing Article No. 104A.

provisions as to the resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to be a Managing Director or whole time Director if he ceases to hold the office of the Director for any cause, provided that if at any time the number of Directors (including Managing Director or whole -time Director) as are not subject to retirement by rotation shall exceed one third of the total number of the Directors for the time being, then such Managing Director or Managing Directors or whole-time Director or whole-time Directors, as the Directors shall from time to time select shall be liable to retirement by rotation in accordance with the Act to the extent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

\*\*D. Subject to the provisions of the Companies Act, and of these Articles and of any contract between him and the Company the remuneration of a Managing Director or whole-time Director or Manager shall from time to time be fixed by the Directors, subject to the approval of the Company in General Meeting and may be by way of fixed monthly payment, commission on profits of the company or by participation in such profits ; any or all of these modes or any other mode not expressly prohibited by the Act. A Managing Director or whole-time Director shall, in addition to the above remuneration be entitled to the fee for attending meetings of Board or Committee of Directors.

\*\*E. Subject to the provisions of the Companies Act, and of these Articles the management of the Company shall vest in Managing Director(s) or Manager(s), subject to general supervision, control and direction of the Board of Directors and Directors may from time to time entrust to and confer upon a Managing Director or Managing Directors or whole-time Director or whole-time Directors or Manager(s) for the time being such of the additional powers exercisable under these Articles or otherwise by the Directors as they may think fit, may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions as they think expedient, and they may subject to the provisions of the Act and of these Articles confer such powers either collaterally with, or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.

Power to remove directors by ordinary resolution.

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

#### DISQUALIFICATION OF DIRECTORS

When office of Director to be vacated.

106. (1) The office of a Director shall become vacant if :—

- (a) he fails to obtain within the time specified in sub-section (I) of Section 270 of the Companies Act or at any time thereafter ceases to hold, the share qualification, if any, required of him by the articles of the Company.



- (b) he is found to be of unsound mind by a Court of competent jurisdiction ;
  - (c) he applies to be adjudicated an insolvent ;
  - (d) he is adjudged an insolvent ;
  - (e) he is convicted by a court of any offence and is sentenced in respect thereof to imprisonment for not less than six months ;
  - (f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call ; unless the Central Government has by notification in the official gazette removed the disqualification incurred by such failure ;
  - (g) he absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board ;
  - (h) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Companies Act ;
  - (i) he acts in contravention of Section 299 of the Companies Act ;
  - (j) he becomes disqualified by an order of Court under Section 203 of the Companies Act ;
  - (k) he is removed in pursuance of section 284 of the Companies Act ;
  - (l) he accepts or holds any office or place of profit under the Company or any subsidiary thereof in contravention of Section 314 of the Act; or any of his relatives or partners or any firm of which he or any of his relatives is a partner or any private company of which he is a director or member or any Director, Managing Agent, Secretaries and Treasurers or Manger of such private company accepts or holds any office or place of profit carrying a total monthly remuneration of Rs. 500/- or more under the company or any subsidiary thereof in contravention of Section 314 of the Act;
  - (m) he having been appointed a Director by virtue of his holding any office or other employment in the company or as a nominee of the Managing Agent of the company he ceases to hold such office or other employment in the company or as the case may be the managing agency comes to an end.
- (2) Notwithstanding any thing in Clauses (d), (e) and (j) of sub-clause 1 above, the disqualification referred to in those clauses shall not take effect :—
- (a) for 30 days from the date of the adjudication sentence or order ;
  - (b) where any appeal or petition is preferred within the 30 days aforesaid, against adjudication, sentence or conviction resulting in the sentence or order until the expiry of 7 days form the date on which such appeal or petition is disposed of ; or
  - (c) where within 7 days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order and the appeal or petition if allowed would result in the

removal of the disqualification, until such further appeal or petition is disposed of.

106. A. Deleted by Special Resolution passed the Annual General Meeting of the Shareholders held on 30th September, 1968.
- Power to remove directors by ordinary resolution. 107. (a) The Company may by an ordinary resolution remove a Director (not being a Director appointed by the Central Government in pursuance of Section 408 of the Companies Act) before the expiry of his period of office.
- (b) Special Notice shall be required of any resolution to remove a Director under this Article or to appoint somebody instead of a Director so removed at the meeting at which he is removed.
- (c) A vacancy created by the removal of a Director under this Article may if he had been appointed by the Company in General Meeting or by the Board in pursuance of Section 262 of the Companies Act be filled by the appointment of another Director in his stead by the meeting at which he is removed provided special notice of the intended appointment has been given under sub-clause (b) above. A Director so appointed shall hold office until the date upto with his predecessor would have held office if he had not been removed as aforesaid.
- (d) If the vacancy is not filled under sub-clause (c) above it may be filled as a casual vacancy in accordance with the provisions, so far as they may be applicable, of Section 262 of the Companies Act and all the provisions of that Section shall apply accordingly; provided that the Director who was removed from the office shall not be reappointed as a Director by the Board.

#### ROTATION OF DIRECTORS

- Rotation and retirement of Directors. 108. (a) At the Annual General Meeting in every year, one-third of the Directors for the time being excluding the Debenture Director, if any, or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. The retiring Director shall retain his office until dissolution of the meeting at which his successor is elected.
- (b) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall, unless they otherwise agree among themselves, be determined by lot. A retiring Director shall be eligible for re-election.
- Meeting to fill up vacancies. 109. 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.
- Right of persons other than retiring directors to stand for directorship. \*110.(a) A person who is not a retiring director shall, subject to the provisions of this Act, be eligible for appointment to the office of director at any general meeting if he or some member intending to propose him has not less than fourteen days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature or the intention of such member to propose him as a candidate for that office, as the case may be alongwith a deposit of five hundred rupees or such sum as may

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\*Substituted by the Special Resolution passed in the Annual General Meeting of the Shareholders held on 19th September, 1990.

for the time being be prescribed by the Act which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.

- (b) The company thereafter shall inform its members of the candidature of a person or the intention of a member to propose such person as a candidate for directorship either by serving individual notices or by advertising, at least in two newspapers circulating in the place where the registered office of the Company is situated at least seven days before the meeting. The newspaper should be one in English and the other in the regional language of that place.

- (c) (i) Every person (other than a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a director) shall, sign and file with the company his consent to act as a director, if appointed.

Filing of the consent with the company and the Registrar.

(ii) A person other than a director reappointed shall not act as a director unless he has, within 30 days of his appointment, signed and filed with the Registrar his consent in writing to act as such director.

110. \*\*A. (i) The Company shall keep at its registered office a Register containing the particulars of its directors, managing agents and other persons mentioned in Section 303 of the Act and shall within the period of 30 days mentioned in the said section, send to the Registrar a return containing the particulars specified therein and shall otherwise comply with the provisions of the section in all respects.

Register of Directors etc. and notice of change to the Registrar.

(ii) The Company shall also keep at its Registered Office a register as required under section 307 of the act in respect of the shares and /or debentures of the company held by its directors, managing agents and other persons mentioned in section 307 and shall otherwise duly comply with the provisions of the said section in all respects.

Register fo shares or debentures held by person under Section 307.

(iii) Every director of the company (including a person deemed to be a director by virtue of the explanation (i) to section 303 read with section 7 of the Act) the Managing Agents and other person mentioned in section 303 of the Act, shall, within 20 days of his appointment to any of the office mentioned in the said section 303 in any other body corporate or on relinquishment of any such office, in any other body corporate, disclose to the company the particulars which are required to be specified in the Register under sub-section (i) of section 303 of the Act in respect of the office so held or relinquished in the other body corporate.

Disclosure by Director of appointment to any other body corporate.

(iv) Every director, the Managing Agent and other persons mentioned in sub-section (II) of section 307 of the Act and every person deemed to be a director of the company by virtue of sub-section (10) of section 307 read with section 7 of the Act shall as required by section 308 of the act give notice to the company of such matter relating to himself as may be necessary for the purpose of enabling the company to comply with the provisions of the said section 307.

Disclosure by Director of holdng of shares and debentures of the Company etc.

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\*\*Amended by a Special Resolution passed at the General Meeting of the Shareholders held on 30th September, 1968.

When retiring Director deemed to be re-elected.

111. (a) If at any meeting at which any election of Directors ought to take place, the place of the vacating 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;
- (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 directors shall be deemed to have been reappointed at the adjourned meeting unless :—
- (i) at the meeting or at the previous meeting a resolution for the reappointment of such director has been put to the meeting and lost;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be re-appointed;
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary is required for his appointment or reappointment in virtue of any provisions of the Companies Act;
- \*(v) the proviso to sub-section (2) of Section 263 of the Companies Act is applicable;

#### PROCEEDINGS OF DIRECTORS

Proceedings of Directors.

112. \*\*The Directors may meet together as a Board for the despatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of quorum.

Who may call a meeting of Directors.

113. The Secretary may at any time and shall upon the request of any Director call a meeting of the Directors at such place as he may think fit for the disposal of business. A meeting of the Director may ordinarily be called on 3 days' notice but the Secretary may call an emergency meeting of the Directors on a shorter notice. Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

Quorum.

114. The quorum for a meeting of the Board of Directors of the Company shall be one-third of its total strength or two Directors whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of remaining Directors that is to say the number of Directors who are not interested present at the meeting not being less than two shall be the quorum during such time. Any fraction in computing one-third or two third shall be rounded off as one.

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\*Amended by Special Resolution passed at the General Meeting of the Shareholders held on 30th September, 1968.

\*\* Substituted by Special Resolution passed at the Annual General Meeting of the shareholders held on 30th September, 1968.



115. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all are any of the authorities, powers and discretions by or under the articles of the company for the time being vested in or exercisable by the Directors generally. Powers of a meeting at which quorum is present.
116. The Board may elect a Chairman of their meetings, and determine the period for which he is to hold office, but if no such Chairman is elected, or if at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, then the Directors present shall choose some one of their number to be Chairman of such meeting. Chairman.
117. The question arising at any meeting of Directors shall be decided by a majority of votes. In case of an equality of votes the Chairman will have a second or casting vote. How questions to be decided.
118. (a) The Board may subject to the provisions of the act delegate any if its powers to committees or sub-committee consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such committee or sub-committee, either wholly or in part and either as to persons or purposes; but every such committee shall in the exercise of the powers so delegated, confirm or any regulations that may, from time to time, be imposed by the Board. All acts done by any such committee, in conformity with such regulations and fulfilment of the purposes of their appointment but not other wise shall have the like force and effect as if done by the Board. Delegation of powers to Committee etc.
- (b) The Board may from time to time delegate all or any of the powers and authorities to any officer of the Company except those powers which under the Act or by these presents are required to be exercised or performed by the Board.
119. The meetings and proceedings of any such committee or sub-committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article. Proceedings of committee.
120. A resolution shall be as valid and effectual as if it had been passed at a Meeting of the Directors or of the Committee thereof duly called and constituted if it is circulated in draft together with the necessary papers if any to all the Directors or to all the members of the committee then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India and has been approved by such of the Directors or members as are then in India or by a majority of such of them as are entitled to vote on the resolution. Resolution without Board meeting valid.
121. All act done by any meeting of the Directors , or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any persons acting as aforesaid or that they or any of them were disqualified be as valid as if every such Director or person had been duly appointed, and was qualified to be a Director or a member of a committee. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director or a person acting as aforesaid after his appointment has been shown to be invalid. Proceedings valid inspite of defects.

**MINUTES**

Minutes of the Meetings.

122. \*(1) The company shall cause Minutes of all Proceedings of every general meeting and of all proceedings of every meeting of its Board of Directors or of every committee of the Board to be kept by making, within 30 days of the conclusion of every such meeting concerned, entries thereof in the books kept for that purpose with their pages consecutively numbered. In no case the minutes of proceedings of any meeting shall be attached to any such book by pasting or otherwise.

(1) (A) Each page of every such book shall be initialled or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed.

(a) in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairman of the said meeting or the chairman of the next succeeding meeting.

\*(b) in case of minutes of proceedings of a general meeting by the Chairman of the same meeting within 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.

(2) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereof ; and

(a) all appointments of officers made at any of the meetings of aforesaid shall be included in the Minutes of the meeting;

(b) in the event of a meeting of the Board of Directors or of a committee thereof, the minutes shall also contain;

(i) the names of all the directors or members of the committee present at the meeting ; and

(ii) in case of each resolution passed at the meeting, the names of the directors or members of the committee, if any, dissenting from or not concurring the resolution.

**BORROWING POWERS**

Power to borrow.

123. Subject to Section 292 of the Companies Act, the Directors may raise or borrow any sum or sums of money for the purpose of the Company and may secure payment or repayment of the same in such manner and upon such terms and conditions as the Directors think fit and in particular by the creation of any hypothecation pledge or charge on and over the Company's stock book debts, and other moveable property.

Provided that the Directors shall not without the sanction of a General Meeting of the company borrow any sum of money where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from 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.

Power to receive deposits.

124. The Directors may receive deposits bearing interest at such rates as the Directors may fix which may be made payable monthly, quarterly, half-yearly or yearly.

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\*Amended by a Special Resolution passed at the Annual General Meeting of the Shareholders held on 30th September, 1968.

125. The Directors may raise or secure the repayment of such moneys in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the creation and issue of mortgages, charges or debenture stock or the issue of debentures secured or charged upon all or any part of the undertaking property and rights of the Company (both present and/or future) including the uncalled capital or by making giving accepting drawing or endorsing on behalf of the Company any promissory notes or bills of exchange. Directors may secure repayment of moneys.
126. Every debenture or other instrument issued by the Company for securing the payment of money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture stocks, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into any shares of any denomination, and with special privileges as to redemption surrender drawings and allotment of shares or otherwise. Provided that the debentures with a right to conversion into or allotment of shares shall not be issued without the consent of the Company in General Meeting. Debentures.
127. The Directors may at any time pay or agree to pay commission to any person in consideration of his subscribing underwriting or agreeing to subscribe or underwrite (whether absolutely or conditionally) any debentures of the Company, but so that if the commission shall be paid or be payable out of the capital the statutory conditions and requirements shall be observed and complied with and the commission shall not exceed 2% of the face value of the debentures. Directors may pay commission.

#### **DIRECTORS MAY CONTRACT WITH THE COMPANY**

128. Subject to the provisions of Sections 297, 299, 300, 302 and 314 of the Act, the Directors (including a Managing Director, if any) shall not be disqualified by reason of his or their office as such from contracting with the company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise not shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company or any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but the nature of the interest must be disclosed by him or them at the meeting or Directors at which contract or arrangement is determined on if the interest then exists or in any other case at the first meeting of Directors after the acquisition of the interest. Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so, his vote shall not be counted but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be counted for the purpose of ascertaining whether there is a quorum of Directors present. This proviso shall not apply to any contract by or on behalf of the company to give to the Directors or any of them any security by way of indemnity against any loss which they or any of them may suffer by becoming or being sureties for the Company. Directors may contract with Company.

General notice sufficient.

129. (a) For the purpose of sub-section (1) and (2) of Section 299 of the Act and Article 128 a general notice given to the Board by a Director, to the effect that he is a Director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made.
- (b) Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for further period of one financial year at a time, by a fresh notice given in the last month of the financial year in which it would otherwise have expired.
- (c) No such general notice and no renewal thereof shall be of effect unless either it is given at a meeting of the Board, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Register contracts in which Directors are interested.

- 129A.(1) The Company shall in accordance with Section 301 of the Act keep one or more registers and shall enter therein separately such of the particulars as may be relevant of all contracts and arrangements having regard to the application thereto of Section 297 or Section 299 of the Act, as the case may be. The Registers aforesaid shall also specify in relation to each director of the Company the names of the firms and bodies corporate of which notice has been given by him under Section 299 (3) of the Act.
- (2) Nothing in clause (1) aforesaid shall apply to any contract or arrangement for the sale, purchase or supply of goods, materials or services if the value of such goods and materials or the cost of such services does not exceed Rs. 1000/- in aggregate in any year.
- (3) The Register or Registers aforesaid shall be kept at the Registered 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 shareholder 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 shareholders of the company and the provisions of Section 163 of the Act shall apply accordingly.

#### POWERS OF THE DIRECTORS

General powers of the company vested in the Directors.

130. The business of the Company shall be managed by the Directors who may in addition to the powers and authorities by the Act or these presents expressly conferred upon them exercise all such powers and do all such acts and things as may be exercised or done by the company and are not hereby or by statute expressly directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of these presents and to the provisions of the Act and to such regulations being not inconsistent with these regulations or provisions as may from time to time be prescribed by the Company in general meeting, but no regulation made by the company in general meeting shall invalidate any prior act of the Director which would have been valid if such regulation had not been made.

Specific powers given to the Directors.

131. Without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by these presents but in furtherance thereof it is hereby expressly declared that subject to the



provisions of the Act and in particular subject to Sections 293, 294, 297 and 314 of the Act the Directors shall have the following powers :—

1. To purchase or otherwise acquire for the Company or sell any property, right or privileges which the company is authorised to acquire or sell at such price and generally on such terms and conditions as they think fit ; To acquire property.
2. To purchase or acquire upon such terms and conditions as the directors may deem fit, the business and property of any person, company, partnership or association carrying on or formed for carrying on any business included amongst the object of the Company, and may pay for the same, either in cash or in shares partly or fully paid up, or in such other manner as the members shall approve ; Powers to buy.
3. To purchase or take on lease for any term or terms of years or otherwise acquire any mills or factories or any land or lands, with or without buildings and out houses in thereon, situate in any part of India, at such prices or rent and under and subject to such terms and conditions as the Directors may think fit, and in any such purchase, lease or other acquisition to accept such title as the Director may believe or may be advised to be reasonably satisfactory ; To purchase land buildings etc.
4. Subject to Section 293 (I)(a) of the Act to let or lease the property of the Company, in part or in whole, for such rent, and subject to such conditions as may be thought advisable ; To let.
5. To sell such portions of the lands or buildings of the Company as may not be required for the purposes of the Company ; To sell.
6. To pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds debentures or other securities of the Company and any such shares may be issued either as fully paid or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged ; To pay for property.
7. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company or in such other manner as they may think fit; To charge Companies' Property.
8. To appoint and at their discretion remove or suspend such Managers, Secretaries, Experts and other officers, clerks, agents and Servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments and to require security in such instance and for such amount as they think fit; To appoint officers etc.
9. Subject to the provisions of the Act and these presents to accept from any member, on such terms and conditions as shall be agreed, as surrender of the shares or stock or any part thereof ; To accept surrender of shares.
10. Subject to Section 294 of the Act to appoint purchasing and/or selling Agents for the purchase and sale of Company's requirements and products respectively; To appoint selling or purchasing agents.

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| To appoint Trustees.                     | 11. To appoint any persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees ;                                                                                                                                                                                                                                                                                                                                                                             |
| To bring and defend suits.               | 12. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the company and act on behalf of the company in all matters relating to bankrupts and insolvents, and apply and obtain letters of Administration with or without will annexed to the estate of persons with whom the Company shall have dealings. Provided that the Directors shall not except with the consent of the Company in general meeting remit or give time for the repayment of any debt due by a Director; |
| To refer to arbitration.                 | 13. To refer any claims or demands by or against the company or to enter into any contract or agreement for reference to arbitration and observe and perform the awards ;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| To act as trustees.                      | 14. To act as Trustees in composition of the Company's debtors ;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| To give receipts.                        | 15. To make and give receipts, releases and other discharges for money payable to the company and for the claims and demands of the Company;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| To provide for management abroad.        | 16. To provide from time to time for the management of the affairs of the Company in India or abroad in such manner as they think fit, and in particular to appoint any persons to be the attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit;                                                                                                                                                                                                                                                                                                                                                                                                                        |
| To invest moneys.                        | 17. Subject to the provision of Sections 292 and 293(1)(c) of the Act to invest and deal with any of the moneys of the Company not immediately required for the purposes of the Company upon such securities (not being shares in this Company) or without security and in such manner as they may think fit and from time to time to vary or realise investment.                                                                                                                                                                                                                                                                                                                                                                                 |
| To give security by way of indemnity.    | 18. With the sanction of the Directors to execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such powers, covenants and provisions as shall be agreed on or other agreements as may be thought fit.                                                                                                                                                                                                                                                                     |
| To establish branches.                   | 19. To establish or discontinue in India or abroad such branches, sub-branches, pay offices, sub-pay offices, godowns, offices or other offices and agencies and may from time to time provide or the management and transaction of the affairs of the Company in any specific locality in such manner as the Directors may think fit;                                                                                                                                                                                                                                                                                                                                                                                                            |
| To enter into contracts of amalgamation. | 20. To enter into and carry into effect any scheme of amalgamation of the company with any other company or any scheme of companies or arrangement duly approved by the members and sanctioned by a competent authority according to law;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

21. To make, vary and repeal bye-laws for regulation of business of the Company and the duties of officers and servants; To make bye laws.
22. To give to any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the company, and such commission or share of profits shall be treated as part of the working expenses of the Company; To give commission.
23. To keep in safe custody the seal of the Company and affix the same when required; To keep the seal.
24. Before recommending any dividend, to set aside out of the profits of the Company, such sums as they think proper as a sinking fund, depreciation fund or reserve fund to meet contingencies or for liquidation of debts and liabilities of the Company or for equalisation of dividends or special dividends or for repairing improving and maintaining any of the property of the company and for such other purposes as the Directors shall in their absolute discretion think conducive to the interest of the Company and to invest the several sums so set aside upon such investment (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 all or any part thereof for the benefit of the Company, as the Directors may think fit with full power to employ the assets constituting the reserve fund in the business of the company and without being bound to keep the same separate from the other assets; To establish reserve funds.
25. At any time from time to time, by power of attorney under the seal of the Company, to appoint any person or persons, to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit ; To appoint attorney.
26. To buy, sell, exchange, lease, transfer or otherwise deal with any property rights or goods whatsoever and to enter into all such negotiations and contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for in relation to any of the matters aforesaid or otherwise for the purpose of the Company; To make contracts etc.
27. Subject to Section 293(1)(e) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national political or useful object of a public character or other institutions the object of which shall have any moral or other claim for support or aid by the company either by reason of locality of operation or of public and general utility or otherwise; To make charity etc.
28. To provide for the welfare of employees or ex-employees of the Company and the wives, widows and families of the dependants or connections of such persons by building or contributing to the building of houses, dwelling or chawls or by grants of money pensions, allowances, compensation bonus or other payment or be creating and from time to time subscribing or contributing to provident fund, gratuity fund and other association institutions fund or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries and all other kinds of medical relief. To provide for welfare of employees.

**SEAL**

- Directors to provide a common seal and its custody.
132. The Directors shall provide a common seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Directors shall provide for the safe custody of seal for the time being.
- Use of seal.
133. The seal shall never be used except by the authority of the Directors or a committee of the Directors previously given, and every deed or other instrument to which a seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney for the company or by an officer duly authorised in that behalf by a resolution of the Board, be signed by two Directors at least or the Managing Agents in whose presence the seal shall have been affixed. Provided nevertheless that the certificates of shares issued by the company shall be sealed and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered power of Attorney and (ii) the Secretary or some other person appointed by the Board for the purpose.

**DIVIDENDS**

- Declaration of dividends.
134. The Company in the general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment but such time should not in any case subject to the conditions mentioned in clauses (a), (b), (c), (d) and (e) of subsection 1 of section 207 be more than 42 days from the date of declaration of dividend.
- Capital paid-up in advance.
135. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.
- Dividends.
136. Subject to the rights of holders of preference shares and other shares, if any, issued upon special conditions and subject to the provisions of these presents as to reserve depreciation and other funds to be set apart by the Directors or otherwise the net profits of the company (after making provision for carrying out balance for the next year) shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively; provided always that any capital paid on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- Dividends out of profits only and not to carry interest.
137. Subject to the provisions of Section 205 of the Act no dividend shall be declared or paid by the Company for any financial year except out of the profits for that year arrived at after providing for depreciation in accordance with the provision of Section 205 (2) of the Act or out of the undistributed profits of the Company and no dividend shall carry any interest as against the Company.
- Restrictions on amount of dividend.
138. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.
- Interim dividend.
139. The Directors, if in their opinion, the position of the Company justifies, may from time to time without the sanction of a general meeting pay interim dividend to one or more classes of shares to the

exclusion of others at rates which may be differing from class to class and when declaring such dividend they should satisfy themselves that the preference Shares, which have prior claim in respect of payment of dividend shall have their entire rated dividend at the time of final preparation of the accounts for the period.

140. The declaration of the Directors as to the amount of the net profits of the Company shall subject to Section 349 of the Companies Act, be conclusive. What to be deemed net profit.
141. No dividend shall be payable except in cash or cheque or warrants provide that nothing in this clause shall be deemed to prohibit the capitalisation of profits or reserves for the purpose of issuing fully paid bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company. Form of dividend.
142. No member shall be entitled to receive payment of any dividend or interest 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 to otherwise on account of any debts, liabilities or engagements of the member of the Company, either alone or jointly with any other person or persons; and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company. No member to receive dividend whilst indebted to the Company and company's rights to reimbursemtn thereout.
143. A transfer of shares shall not pass the right to any dividends declared thereon before the registration of the transfer. Effect of transfer.
144. The Directors shall have a right to demand from any registered shareholder before paying him any dividend to prove that he was in possession of shares at the time of declaration of dividend and that he has not sold the shares nor dividend after such declaration. Right to demand proof.
145. The Directors may from time to time make calls upon shares (subject to provision of these articles) in respect of any capital for the time being unpaid thereon and may determine that any dividend recommended by them instead of being paid or distributed in cash shall be applied in payment of such calls and thereupon subject to the sanction of General Meeting such dividends shall without any further or other authority be so applied. If the Directors shall so determine a General Meeting shall not have power to declare such dividends to be paid or applied otherwise than in accordance with Directors such determination. Dividends and call together.
146. (a) The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member or in respect of which any person under that clause is entitled to transfer, until such person shall become a member in respect thereof or duly transfer the same. Retention in certain cases.
- (b) The Directors may retain any dividend on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagement in respect of which the lien exists.
147. Unless otherwise directed, any dividend may be paid by cheque or warrant sent by post to the registered address of the member or person entitled or in case of joint holders to the registered address of that one whose name stand first on the register in respect of the joint holding and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. Dividend on shares held jointly by Dividend how paid.



two or more persons may be paid in the manner aforesaid to the first named of the joint holders. The warrant shall be posted within 42 days of the declaration of the dividend.

Dividend to joint holders. 148. The person first named in the register amongst the several persons who are registered as joint holders of any share or shares or an authorised representative of a shareholder where the shareholder is a limited company may give effectual receipts for all dividends and payments on account of dividends in respect of such share; provided that the Company may in its discretion refuse to pay any money or deliver any property by way of dividend to any person other than the member personally.

Company not responsible for loss of cheque dividend warrant etc. 149. The Company shall not be responsible for the loss of any cheque dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office, before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant for the fraudulent recovery thereof by any other means.

Unclaimed dividends. \*150. Dividend remaining unclaimed shall be dealt with in accordance with the relevant provisions under the Act for the time being in force.

#### RESERVES

Reserve fund. 151. Without prejudice to the powers conferred by these articles, the Directors shall have powers, before recommending or declaring any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation, or to a Depreciation Fund, General Reserve, Reserve, A Reserve Fund, Sinking Fund, Insurance Fund or any special or other fund or fund or account or accounts to meet contingencies, or to pay redeemable Preference Shares, debentures or debenture stock and for special dividends, and for equalising dividends, and for repairing, improving, extending and maintaining the whole or any part of the property of the Company, and/or for such other purposes as the directors may, in their absolute discretion think conducive to the interest of the Company, and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of redeemable Preference Shares, debentures or debenture stock and that without being bound to

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\*Substituted by the special resolution passed in the Annual General Meeting of the Shareholders held on 19th September, 1990

keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

### ACCOUNTS

152. The Directors shall cause proper books of account to be kept in which shall be entered true and complete accounts of the affairs and transactions of the Company and in this respect they shall comply with Section 209 of the Act. Director to keep books of accounts.
153. (a) The Books of Accounts shall be kept at the Registered Office of the Company or at such other place in India as the Board of Directors may decide provided that a notice in writing giving the full address of that place has been filed by the Company with the Registrar of Companies within seven days of the decision thereof. Where books of account to be kept.
- (b) The books of accounts shall, during business hours, be open to inspection by any Director of the Company.
- (c) The books of accounts of the Company relating to a period of not less than eight years immediately preceeding the current year shall be preserved in good order.
154. No member (not being a Director) shall have nay right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company in general meeting. Books to be open to inspection.
- 154A. (1) The Directors shall lay before each Annual General Meeting of the Company a profit and loss account for the financial year of the Company and a Balance Sheet made up as on that date, which shall be a date which shall not precede the day of the meeting by more than 6 months or such extended period as shall have been granted by the Registrar under the provisions of the Act. Statement of Account to be furnished at Annual General Meeting.
- (2) The Balance Sheet of the Company shall give a true and fair view as at the end of the financial year and shall subject to the provisions of section 211 of the Act, be in the form set out in part I of Schedule VI or as near thereto as the circumstances admit or in such other form as may be approved by the Central Government either severally or in any particular case, and in preparing the Balance Sheet due regard shall be had, as far as may be, to the general instructions for preparation of Balance Sheet under the heading "Notes" at the end of the part.
- The profit and loss account shall give a true and fair view of the profit or loss of the Company for the financial year and shall comply with the requirements of Part II of Schedule VI of the Act, or as far as they are applicable thereto.
- (3) Every such Balance Sheet shall be accompanied by a report of the Board of Directors as to the state of the Company's affairs and as to the amounts, if any which it proposes to carry to any reserves in such Balance Sheet, the amount if any which it recommends should be paid by way of dividend and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report. The Board's report shall, so far as is material for the appreciation of the state of the Companies affairs by its Board's Report.

shareholders and will not in the Board's opinion be harmful to the business of the Company, deal with any changes which have occurred during the financial year in the nature of the Company's business and generally in the clauses of business in which the Company has an interest. The Board shall also give the fullest information and explanation in its reports aforesaid, or in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditor's report. The Board's report and any addendum thereto shall be signed by not less than two directors or by the chairman of the Board of Directors if authorised in that behalf by the Board.

Signature of the Financial  
Accounts.

(4) The profit and Loss Account and the Balance Sheet shall be signed by two Directors and Managing Agents of the Company, provided that if there is only one director present in India at the time the same shall be signed by such director, but in such a case there shall be subjoined to the profit and loss account and balance sheet a statement signed by such director explaining the reasons for noncompliance with the aforesaid provision requiring the signatures of two directors. The profit and loss account and the balance sheet shall be audited by the Auditor as hereinafter provided and Auditor's report, (including the auditor's separate special or supplementary report, if any) shall be attached thereto, and such report shall be read before the Company in the general meeting and shall be open to inspection by any shareholder.

\*(5) A copy of every such profit and loss account and balance sheet, so audited (including the Auditor's Report and every other document required by law to be annexed or attached to the balance sheet) shall at least 21 days before the meeting at which the same are to be laid before the shareholders, be sent to the share holders of the Company, to every trustee for the holders of any debentures issued by the Company provided that the Board of Directors may, in their absolute discretion, instead send a statement containing the salient features of such documents in the prescribed form to every member of the Company and to every Trustee for the holders of any Debentures issued by the Company in accordance with the provisions contained in section 219 of the Act, as amended by the Companies (Amendment) Act, 1988.

#### CAPITALISATION AND CAPITAL APPRECIATION AND RESERVE

Capitalisation.

155. (1) The Company may in a general meeting resolve that any amounts standing to the credit of the share premium account or the capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus) moneys arising from the realisation and (where permitted by law) from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised :—

(a) by the issue and distribution as fully paid up of shares, debentures, debenture stock, bonds or other obligations of the Company, or

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\*Substitute by the special resolution passed in the Annual General Meeting of the Shareholders held on 19th September, 1990.

(b) by crediting shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

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

- (2) Such issue and distribution under (1) (a) above and such payment to credit of unpaid share capital under (1) (b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1) (a) or payment under (1) (b) above shall be made on the footing that such members become entitled thereto as capital.
- (3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve, Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture stock, bonds or other obligations of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1) (b) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for the distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash shares, debentures, debenture stock, bonds or other obligations in trustees upon such trusts for the persons, entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.
- (5) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid and others are partly paid only such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied prorata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

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

Capital Appreciation.

- \*156. All capital appreciation realised upon any sales or transposition of the company's investments or realisations of other capital assets shall be applied in such manner as the Board of Directors in their absolute discretion may from time to time decide, in keeping with applicable accounting policies, procedures and practices including but not limited to transferring any surplus realised to revenue and for payment of dividends out of such surplus or for such other purpose as may be permissible in law".

Invest of Money.

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

#### AUDIT

Examination of accounts.

157. Once at least in every calendar year the account of the Company shall be examined and the correctness of the balance sheet and of the profit and loss account ascertained by one or more Auditors.

To comply with sections 224 to 231 of the Act.

158. As regards the appointment and remuneration qualification and disqualification, removal, powers rights and duties of Auditors, the Directors and the Auditors shall have regard to Sections 224 to 231 of the Act.

Conclusiveness of accounts.

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

#### NOTICE

How notices to be served on members.

160. (1) A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices, to him.

- (2) Where a notice is sent by post, service of the notice shall be deemed to have been effected by properly addressing prepaying and posting a letter containing the notice and unless the contrary is proved such service shall be deemed to have been effected in the case of a notice of a meeting at the expiration of 48 hours after the letter containing the same is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

Notice where no address.

161. If member has no registered address in India, and has not supplied to the Company an address within India for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in

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\*Substituted by the Special Resolution passed in the Extra Ordinary General Meeting of the Shareholders held on 31st July, 1998.



the neighbourhood of the registered office of the Company shall be deemed to be duly given to him on the day on which the advertisement appears.

162. A notice may be given by the Company to the joint-holders of a share by giving notice to the joint-holder named first in the register in respect of the share. Notice to joint holders.
163. A notice may be given by the company 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 giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred. Notice to persons entitled to shares in consequence of death or insolvency of a member.
164. Any notice required to be given by the Company to the member or any of them and not expressly provided for by the Companies Act or these presents shall be deemed to have been sufficiently given by advertisement. Notice by advertisement.
165. Every person who by operation of law transfer or by other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which previously to his name and address being entered on the register, shall be duly given to the person from whom he derives his title to such shares. Transferees etc. bound by prior notice.
166. Any notice or document delivered or sent by post, to or left at the registered address of, any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any jointly interested with him or her in any such share. Notice valid though member deceased.
167. The signature to any notice to be given by the Company may be written or printed, typed lithographed or rubber stamped. How notice to be signed.
168. Where a given number of days notice or notices extending over any other period, is required to be given the day of service shall, unless it is otherwise provided be counted in such number of days or other period. How time to be counted.

#### WINDING UP

169. If the company shall be wound up the surplus assets shall be applied in the first place in repaying to the holders of the preference shares the amount paid up thereon with all arrears or deficiency of dividend (if any) to the commencement of winding up and the residue shall belong to the holders of the ordinary shares in proportion to the number of shares held by them respectively and the amounts paid by or reckoned as paid up thereon. Distribution of assets.
170. (a) If the surplus assets shall not be sufficient to repay the whole of the paid up capital such surplus assets shall be distributed subject to special preferential rights of the preference share holders, if How surplus assets to be distributed.

any, so that the losses shall be borne by the members as nearly as may be in proportion to the capital paid up or which ought to have been paid up on the shares held by them respectively, at the commencement of the winding up. But this clause is to be without prejudice to the rights of the holders of shares issued on special conditions.

- (b) If upon the winding up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid up capital, the excess shall be distributed among the holders of the ordinary shares subject to special preferential right of the preference share holders in respect of capital as well as cumulative dividend, but to no other right of participation in its assets, in proportion to the capital paid or which ought to have been paid on the ordinary shares held by them respectively at the commencement of the winding up other than amounts paid to advance of calls.

Distribution of assets in specie.

171. (a) The liquidator on any winding up (either voluntary, under supervision of Court or compulsory) may with the sanction of a special resolution, 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 fit in accordance with the provision of the statute but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

#### INDEMNITY

Indemnity.

172. Subject to the provisions of the Act every Director, Auditor, Manager, Trustee, Secretary and other officer shall be indemnified by the Company from all losses and expenses incurred by them respectively in or about the discharge of their respective duties, except such as may happen from their own respective wilful acts defaults. Every Director, Auditor, Manager, Trustees or officer of the Company shall be indemnified out of the fund of the Company against all liabilities incurred by him such Director, Manager, Officer or Auditor in defending any proceeding whether Civil or Criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Companies Act in which relief is granted to him by the Court.

Individual responsibility of Directors.

173. (a) Subject to the provisions of Section 201 of the Companies Act, no Director, Trustee, Auditor, or other officer of the Company shall be liable for the Acts, receipts neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity.
- (b) The Directors, Managers, Auditors, Trustees, and Officers for the time being of the Company shall be indemnified out of the funds of the Company against all costs, charges, losses, damages and expenses which they shall respectively incur or be put to on account of any contract, act, deed matter or thing which shall be made, done, entered into or executed by them respectively on behalf of the Company and the Directors, Managers, Trustees or

other officers shall be reimbursed by the Company reasonable expenses incurred by them in or about any legal proceedings or arbitration on account of the Company, or otherwise in the execution of their respective offices, except such costs, losses and expenses as shall happen through their respective wilful default or neglect. And any such Director, Manager or other shall be chargeable only for so much money as he or they shall actually receive and they respectively shall not be answerable for the acts, receipts, neglects or defaults of each other but each of them for his own acts, receipts, default or neglect only, nor shall they respectively be answerable for any banker, broker, collector or other persons with whom or into whose hands any property or moneys of the Company may be deposited or come nor for the insufficiency of the title to any estate or property which may from time to time be acquired on behalf of the Company, nor for the insufficiency of any security upon which any of the moneys of the Company shall be invested nor for any loss or damage which may happen in the execution of their respective offices unless the same shall happen through their own respective wilful default or neglect.

**SECURITY CLAUSE**

174. 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 trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company, and which in the opinion of the directors will be inexpedient in the interest of the members of the Company to communicate to the public. Security.