

**Memorandum  
and  
Articles  
of  
Association**



**V. B. DESAI FINANCIAL SERVICES LIMITED**



No. 37218/TA

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME

In the Office of the Registrar of Companies, Maharashtra, Bombay.

In the matter of ALPHA FINANCIAL ADVISORY SERVICES LIMITED

I hereby approve and signify in writing under section 21 of the Companies Act, 1956 (Act I of 1956) read with the Government of India Department of Company Affairs Notification No.C.S.9. 507E dated the 24th June, 1985 the change of name of the Company

from ALPHA FINANCIAL ADVISORY SERVICES LIMITED

To V.B.DESAI FINANCIAL SERVICES LIMITED

and I hereby certify that ALPHA FINANCIAL ADVISORY SERVICES LIMITED which was originally incorporated on TWENTY FIRST day of August, 1985 under the COMPANIES ACT, 1956 and under the name ALPHA FINANCIAL ADVISORY SERVICES LIMITED having duly passed the necessary resolution in terms of Section 2(72)(a)/23(1)(b) of the Companies Act, 1956, the name of the said Company is this day changed to V.B.DESAI FINANCIAL SERVICES LIMITED

and this certificate is issued pursuant to Section 23(1) of the Said Act.

Given under my hand at Bombay this TWENTY SEVENTH day of SEPTEMBER, 1985 (One Thousand Nine Hundred Eighty Five).



Sd/-

(V. GOVINDAN)

REGISTRAR OF COMPANIES  
MAHARASHTRA, BOMBAY



37218

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

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

I hereby certify that the ALPHA FINANCIAL  
ADVISORY SERVICES LIMITED \*\*\*\*

which was incorporated under the Companies Act, 1956,  
on the TWENTYFIRST day of AUGUST 1985 and which has  
this day filed a duly verified declaration in this  
prescribed form that the conditions of Section 149(2)(a)  
to (c) of the said Act, have been complied with is  
entitled to commence business.

Given under my hand at BOMBAY this TWENTYTHIRD  
day of AUGUST One thousand nine hundred and EIGHTYFIVE.



SD/-  
(O.P. JAIN)

Addl. Registrar of Companies.

प्राक्प० आर्ह० आर०

From I. Q.

निगमन क्र० २४५३५/१५

**CERTIFICATE OF INCORPORATION**

772 37216

No. 37216

01 : 44.5

\* सत्यमेव जयते

कम्पनी की वित्तीय स्थिति के अनुसार, 2019-2020 के लिए, 100 करोड़ रुपये की वित्तीय आवश्यकता का अनुमान है।

1. ALPHA FINANCIAL SERVICES

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)  
and that the Company is limited.

मेरे हस्ताक्षर से आनंद था।

Given under my hand at POMONA, California, this TWENTYFIRST  
day of AUGUST One thousand nine hundred and EIGHTYFIVE



Sd/-  
GOVERNMENT  
कागजियों का रजिस्ट्रार  
Registrar of Companies

THE COMPANIES ACT, 1956

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COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION  
OF

V. B. DESAI FINANCIAL SERVICES LIMITED

- I. The name of the Company is V. B. DESAI FINANCIAL SERVICES LIMITED.
- II. The Registered Office of the Company will be situated in the state of MAHARASHTRA.
- III. The Objects for which the Company is established are:
  - (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:
    1. To carry on the business as financial advisers and to carry on the business of Merchant Banking, Consultancy and capital market related services, advise and assist in investment and related matters and to advise and assist in all financial costing, accounting, internal control and other similar matters to advise and assist in the preparation of all revenue and capital budgets, deployment of funds, long term planning of utilization of resources for rehabilitation, renewal, expansion and diversification, procuring bank and institutional finance including cash credit facilities, overdraft facilities, subscription of debentures and term loans, to assess the needs for short and long term credit facilities and raising of resources, to advise and assist in the formulation of internal control procedure for the maintenance and presentation of all assets and prevention of fraud, wastage, financial and cost accounting procedure and other connected matters, to advise and assist in formulating long term financial policies and control of their execution, and generally to advise and assist in all financial and revenue matters.

2. To finance the industrial enterprises by way of lending and advancing money, machinery, land, building, shed or such other things as may be required by such industrial enterprises either with or without security and upon such terms and conditions as the Company may think fit and to guarantee or contract, entered into by any industrial enterprises with any financial institutions, banks or other parties for obtaining finance whether for its long term capital, working capital or for any deferred payment finance.
3. To carry on financing operations and perform financing services including factoring, making loans, both short term and long term, underwriters and brokers of stocks, shares, debenture-stock, Government Bonds, Unit Trust, National Saving Certificates etc.
4. To carry on the business of leasing and letting on lease of movable properties of all kinds including plants, machinery, cold storages, refrigerators, air-conditioning machinery and equipments, internal communication systems and equipments, computers, computer programmes, software, office equipments of all kinds, security systems, tractors, trollies, threshers, driers, earth moving equipments, construction equipments, mining equipments, material handling equipments, power generators, public address systems, cinema equipments, hotel equipments, medical equipments and motor vehicles of all kinds including motor cars, motor buses, motor lorries, motor cycles, auto-rickshaws and any other type of vehicles.
5. To carry on the business of hire-purchase, leasing or letting on hire of movable property of all kinds including the foregoing matters and things and household and office furniture, domestic and business appliances, agricultural implements and machinery, aeroplanes, launches, boats, ships, helicopters, cranes, sewing machines, radio sets, television sets, musical instruments, cameras, electric fans, heaters, other electrical and electronic equipments or any other article or articles that the Company may deem fit.
6. To carry on the business of an investment company, in all its branches and without prejudice to the generality of the foregoing to buy, underwrite, invest in and acquire and hold, lease, sell and deal in shares, stocks, debenture-stock, bonds, obligations and securities issued or guaranteed by any Government, State, dominions, commissioners, public body or authority, municipal, local or otherwise, firm, company, association, or person in India or else-

THE COMPANIES ACT, 1956

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COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION  
OF

**V. B. DESAI FINANCIAL SERVICES LIMITED**

- I. The name of the Company is **V. B. DESAI FINANCIAL SERVICES LIMITED.**
- II. The Registered Office of the Company will be situated in the state of **MAHARASHTRA.**
- III. The Objects for which the Company is established are:
  - (A) **THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**
    1. To carry on the business as financial advisers and to carry on the business of Merchant Banking, Consultancy and capital market related services, advise and assist in investment and related matters and to advise and assist in all financial costing, accounting, internal control and other similar matters to advise and assist in the preparation of all revenue and capital budgets, deployment of funds, long term planning of utilization of resources for rehabilitation, renewal, expansion and diversification, procuring bank and institutional finance including cash credit facilities, overdraft facilities, subscription of debentures and term loans, to assess the needs for short and long term credit facilities and raising of resources, to advise and assist in the formulation of internal control procedure for the maintenance and presentation of all assets and prevention of fraud, wastage, financial and cost accounting procedure and other connected matters, to advise and assist in formulating long term financial policies and control of their execution, and generally to advise and assist in all financial and revenue matters.

where and to act as technical consultants for selecting, acquiring and installing of all kinds of equipments and to act as financial consultants, investment advisers, bonds and securities and to render any kind of management and consultancy services concerning foregoing matters and things, but not to carry on Banking business as defined under Banking Regulation Act 1949.

**(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :**

7. To acquire by amalgamation, purchase, take over or otherwise the whole or part of the assets, liabilities and undertaking in India or elsewhere of any other company, body corporate, firm, association or individuals, carrying on, proposing to carry on or possessed or prospects to be used for the purpose of the Company or which may be desired to be in conjunction therewith.
8. To enter into partnership or any arrangement for sharing of profits or losses or any other interests, joint venture, reciprocal concession or co-operation with any person or persons, firms, association of persons, Hindu undivided families or company or companies, institution, body corporates carrying on business or transaction either in India or abroad.
9. To establish branches and agencies of the Company in India and elsewhere for the purpose of the business of the Company.
10. To act as Manager, issue house, transfer agent and liason officer and generally to act as agent or representative and to undertake accountancy, clerical and similar work.
11. To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments, to undertake and carry on scientific and technical researches experiments and tests of all kinds, to promote studies and researches, both scientific and technical, investigations and inventions by providing, subsidising, endowing, organising or assisting laboratories, workshops, lectures, meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or



contributing to the awards or scholarships, prizes, grants to students or otherwise generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.

12. To acquire from and/or to give and/or to provide any person firm or body corporate or unincorporate whether in India or elsewhere, technical information, know-how, processes, engineering manufacturing and operating data, plans, layouts and blue-prints useful for the design, erection and operation of plant required for any of the businesses of the Company and to acquire any patent or licence and other rights and benefits in the foregoing matters and things.
13. To apply for and acquire from the Government or from State Governments or from the Governments to import and export plant, machinery, spare parts thereof, machinery, raw materials, intermediate, finished products and processing materials.
14. To ensure with any other Company, firm or persons against losses, damages and risks of all kinds which may effect the Company.
15. To sell, exchange, mortgage, let or lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose of the whole or any part of the undertaking, property, assets, rights and effects of the Company for such consideration as the Company may think fit in particular for stocks, shares whether fully or partly paid up, debentures or other securities of any other company whether or not having objects altogether or in part similar to those of this Company.
16. To pay for any rights or property acquired by the Company and to remunerate any person, or body corporate rendering services to the Company either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise.
17. To open current, fixed, overdraft or other accounts with any Bank, Bankers, Brokers or Merchant and to pay into and to draw moneys from such accounts.

18. To guarantee the performance of any contract or obligations of and the payment of money of and interest on any stock, shares or securities of any company, corporation, firm or person in any case in which guarantee may be considered likely directly or indirectly to further the objects of the Company or the interests of its shareholders.
19. To advance and lend moneys on such terms as may be thought proper or without taking any security thereof and to undertake financial and commercial obligations, transactions and operations of all kinds.
20. To invest the funds of the Company not immediately required from time to time in such assets, properties, securities, shares, bullion, specie or investments or otherwise as may from time to time be determined by Directors and from time to time sell or vary all such investments and to execute all assignments, transfers, receipts and documents that may be necessary in that behalf.
21. Upon any issue of shares, debentures or any other securities of the Company, to employ brokers, commission agents and underwriters and to provide for the remuneration of such persons for their services by payment in cash or issue of shares, debentures or other securities of the Company, by the granting of options, to take the same or in any other manner allowed by law.
22. To enter into partnership or into any arrangements for sharing profits, co-operation, joint venture, reciprocal concession or otherwise, or collaborate or affiliate arrangements with any persons or Company, carrying on or engaged in business or transaction, either in India or abroad.
23. To act in conjunction with, unite or amalgamate with, create or constitute or assist in creating or constituting any other company or association of any kind for the purpose of acquiring all or any of the properties, rights, and liabilities of the Company, and to buy up or absorb all or any of the business or property of any such company or association and to acquire and secure membership, seat or privilege in and of any association, exchange, market or institution in India or any part of the world.
24. To enter into any arrangement with any government or authorities, municipal, local or otherwise, or any

persons or objects of the Company or any of them and to obtain from any such government authority, persons or company, and rights, privileges, charters, contracts, licences and concessions.

25. To apply for and to take out, purchase or otherwise by way of licence or otherwise prolong and renew in any part of the world any patents, patent rights or inventions, trade mark rights, copyrights, or secret processes or technical aid or "know-how" which may be useful for the Company's objects and to grant licences to use the same.
26. To alter, manage, develop, exchange, lease, mortgage, underlet, sell, give in gifts or otherwise dispose of, improve or deal with the land, property, assets and rights and resources and undertaking of the Company or any part thereof for such considerations as the Company may think fit and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of this Company and to distribute among the members in cash or in specie any property or assets of the Company, subject to the provisions of the Companies Act, in this behalf in the event of winding up.
27. To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company for which the Company shall construe to be preliminary expenses, including therein the costs of advertising, commission for underwriting, brokerage, printing and stationery and the expenses incurred upon the formation of agencies and local boards.
28. To procure the registration or other recognition of the Company in India and abroad and to establish and regulate agency for the purpose of the Company's business and to apply or join in applying to Government, local, municipal or other authority or body for concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interest.
29. To provide for welfare of the Directors or ex-Directors or the employees or the ex-employees of the Company and the wives, widows and families of such persons, by building or by contributing to the building of houses, dwelling houses, chawls, or by grant of money, pensions, allowances, bonus or other pay-

ments or by creating and from time to time subscribing to provident, pension, superannuation and other funds and providing or subscribing towards schools, places of instructions and recreation and hospitals, dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to form, subscribe to or otherwise aid benevolent, religious, scientific, national, public or other institutions or objects or purposes.

30. To adopt such means of making known business of the Company as may seem expedient and in particular by advertising in the press or otherwise or by purchase and exhibition of works of art or by publication of books and periodicals or by granting prizes, rewards, donations or scholarships.
31. To apply the assets of the Company in any way in or towards, the establishments, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce generally and including any association, institution or fund for the protection of the interests of masters, owners or employers against loss by debts, strikes, combinations, fire, accidents, or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or by any of its predecessors in business, of their families or dependants and whether or not in common with other persons or classes of persons and in particular in friendly, co-operative and other societies, reading rooms, libraries, educational and charitable institutions, dining and recreation rooms, churches, chapels, temples, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscriptions for any purpose whatsoever.
32. To sell, dispose of or transfer the business, property and undertaking of the Company or any part for any consideration which the Company may deem fit to accept and in particular for shares, debentures, debenture-stocks, bonds or securities of any other company or companies for the purpose of its or their acquiring all or any of the property, rights, or liabilities of this Company or for other purposes of this Company.
33. To expend money in experimenting on and testing and improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or those which the Company may acquire or propose to acquire.

34. To create any reserve fund, sinking fund, insurance fund, dividend equalisation fund or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company.
35. To place to reserve or to distribute as bonus shares among the members or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares or debenture issued at a premium by the Company and any moneys received in respect of forfeiture of shares and moneys arising from the sale by the Company of forfeited shares.
36. To acquire and undertake the whole or any part of the property, assets or liabilities of any person, firm or company carrying on business.
37. To form, incorporate or promote any company or companies, whether in India or elsewhere having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the Company or any other object or objects which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay for all or any of the assets and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in placing or obtaining or assisting in placing or obtaining subscriptions for the Company or for guaranteeing the subscription of or the placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company or any stocks, shares, bonds, debentures, obligations or securities of any other company held or owned by the Company or in which the Company may have an interest or in or about the formation or promotion of the Company or the conduct of its business or in or about the Company may have an interest.
38. To refer to or agree to refer any claim, demand, disputes or any other question, by or against the Company or in which the Company is interested or concerned, and whether between the Company and the member or members of his or their representatives or between the Company and third parties to arbitration in India or any place outside India and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.

39. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the promotion, formation and registration of the Company or the issue of its capital including brokerage and commission for obtaining application for or taking, or placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
40. To receive money, securities, and valuables of all kinds and deposits at interest or for custody, but not to carry on banking business as defined under the Banking Regulation Act, 1949 subject to the provisions of Section 58-A of the Companies Act, 1956 and directives of Reserve Bank of India.
41. To communicate with chambers of commerce and other mercantile and public bodies throughout the world and to advise on, concert, promote and support measures for the protection, advancement, growth of trade, commerce and industry and for protection and welfare of persons engaged therein.
42. To promote, assist or take part in and appear or lead evidence before any commission, investigation, inquiry trial or hearing whether public or private relating to matters or connected with any trade, business or industry.
43. To promote co-operation, hold conferences, organise and participate in meetings, maintain bureau, carry on correspondence, undertake publications, arrange discussions, symposiums and debates, prepare statements, reports and articles relating to any and all matters of interest to trade, industry or business.
44. To undertake and carry on the office or offices and duties of trustees, executors, administrators, treasurer, registrar, custodian, attorney or nominee of or for any person, body corporate (whether incorporated or not), association, scheme, trust, funds, government, state, municipal or corporate and generally to undertake, perform and discharge any trust or agency business and any office of trust or confidence.
45. To undertake and execute any trust or discretion, the undertaking whereof may seem desirable and the distribution amongst the beneficiaries, pensioners or other persons entitled thereof of any income, capital or annuity, whether periodically or otherwise, and whether in money or specie, in furtherance of any

trust, direction, discretion or other obligation or permission.

46. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, hundies, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities
47. To aid pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
48. To subscribe or guarantee for any national, charitable, benevolent, public, or for any exhibition.
49. To acquire any such shares, stocks, debenture, debenture-stocks, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
50. To buy, purchase, build, construct, alter, enlarge, maintain, pull down, remove, replace, manage, control, sell, lease, take on lease or tenancy or in exchange, take options over or otherwise acquire land, buildings flats, godowns, sheds, factories and hereditaments of any tenure or description in India or abroad whether for residential, business, manufacturing or other purposes and any rights, easements, advantages and privileges relating to and either for investments or resale or for trafficking in the same and to turn the same into account as may seem expedient, and to construct, alter, improve, decorate, develop, furnish, and maintain offices, flats, houses, factories, warehouses, godowns, shops, buildings and other structures, works and convenience of all kinds of any of the lands or immoveable properties purchased or acquired by the Company and to lease, sell, deal in or to otherwise dispose of the same, and to purchase, charter, hire, build or otherwise acquire vehicles of any or every sort or description for use on land or water or in air and to employ the same in the carriage of merchandise of all kinds or passengers for the business of the Company.
51. To borrow or raise moneys or loans for the purpose of the Company in such manner as the Company shall

think fit and (in particular by the issue of promissory notes, bills of exchange, hundies, and other negotiable or transferable instruments or by mortgage, charge, hypothecation or pledge) or by debentures or by debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property and assets, both present and future, moveable and immoveable, including its uncalled capital, upon such terms as the Directors, may deem expedient or in such manner or to take money on deposit or otherwise with or without allowance of interest thereon and to lend money to customers and others having dealings with the Company and to guarantee the performance of contracts by any such persons and to execute all deeds writings and assurances for any of the aforesaid purposes subject to the provisions of Section 58-A of the Companies Act, 1955 and directives of the Reserve Bank of India.

**(C) OTHER OBJECTS :**

52. To purchase, sell or otherwise transfer, lease, licence, use, dispose of, operate, programme, fabricate, construct, assemble, design, develop, charter, hire, acquire, recondition, repair upon or otherwise deal in computers, tabulators, data processing machines and allied machinery and electronic equipment of every kind, description and activation, including accounting, book-keeping, calculating, sorting, adding, subtracting, dividing, multiplying, printing, typewriting, copying, re-producing and distributing machines and machinery systems, apparatus, appliances, facilities and accessories and devices of all kinds, component parts thereof or materials or articles used in connection therewith, and all other machines, machinery appliances, apparatus, devices, materials, substances, articles or things of a character similar or analogous to the foregoing, or connected therewith.
53. To act as buying and selling agents of any company, and to do and perform wholly or partly the several duties, services and offices which the buying and selling agents, of any company usually do and perform and to undertake and to become bound by conditions of any agreement entered into for any purpose, subject to the provisions of the Companies Act.
54. To carry on all or any of the business of engineers, metal foundries, metal welders, smiths, machinists, metal rollers, tool makers, wire, drawers, sheet manufacturers, tubes, pipe, and tank manufacturers,



moulders, metallurgists, metal workers, fitters, mill wrights, galvanisers, electroplaters and enamellers and to offer technical, economic, management and corporate advice.

55. To establish, compile, print, publish and carry on newspapers, periodicals, gazettes, trade lists, year books, statistics and other publications as literature and to carry on business as newspaper proprietors, printers, publishers and advertising agents.
56. To carry on the business of manufacturers and dealers in all kinds of packaging, requisites and cartons made of cardboard, straw-board, wood, glass or other material, metal glass or plastic containers and also containers of any other metal.
57. To carry on the business of and to act as shippers, underwriters, commission agents, advertising agents, travelling agents, transport agents, forwarding and clearing agents.
58. To take on lease, purchase on hire and otherwise acquire, maintain, instal and run cotton mills, woollen mills, silk mills, jute mills, man made fibre, spinning and weaving mills and all other textile and fibre goods manufacturing mills and to purchase, manufacture gin comb, prepare, spin, weave, dye, bleach, print, process, import, export and deal in cotton, kapas, flax, hemp, jute, wool, silk, terene, staple, synthetic and any other man made fibrous substance, their yarn, linen, cloth and other goods and fabrics, whether textile, felted, netted or looped and to bleach, dye, print or made of vitriol, bleaching and dyeing materials.
59. To carry on the business of transport, cartage and haulage contractors, garage proprietors, owners and charterers of road vehicles, air crafts, ships, tugs, barges and boats of every description, lightermen, carriers of goods and passengers by road, rail, water or air, carmen, cartage contractors, stevedors, carts, superintendents, packers, haulers, warehousemen, store-keepers, and job-masters.
60. To manufacture, produce, buy, sell, import, export, stock and deal in machine tools, grinding machines, automatic lathes, drilling machines, planing machines, planogrinders, machinery of every description, precision tools, cutting and small tools,

electric motors, electrical equipments, equipments for generation, transmission and distribution of electricity cables, wires, conductors, switchgears, flame and dip proof motors, electric fans, regulators of all types, electric kilowatt hour meters, magnets, industrial jewels, ammeters, non-electric die castings, screws, nuts and bolts, transformers of all types, circuit breakers, hoists, elevators, gears, trollys and coaches winches, air compressors, welders, refrigerators, domestic washing machines, telephones, teleprinters public address equipment lightning arrestors elevators, radar equipments, valves, resistors, electronic equipments and instruments, conductors, magnetic materials and transistors.

61. To carry on business of consultants and advisers to individuals, bodies corporate, societies, undertakings, institutions, associations, government, local authorities and others on problems relating to the administration (organisation and management) of industry and business and the training of personnel for industry.
62. To carry on the business of manufacturers of, processors, importers, exporters, buyers, sellers, stockist distributors and/or dealers in all or any of the following:
  - (a) Sugar Mills, distilleries and millasses.
  - (b) Vanaspathi, Ghee and oil crushing, solvent extraction, refined oils, cake oiled or de-oiled and soap making.
  - (c) Cement, clinker or its by-products.
  - (d) All kinds of rubber, natural, artificial or foam and its goods and products, synthetic, all kinds of plastic high or low density and their products whether moulded, melted, weaved, extruded, machined or otherwise.
63. To cultivate, grow, produce, purchase, sell, deal and trade in agricultural and vegetable products of all kinds and to take up any agricultural work and deal in manufacture, export, import of all kinds of agriculture, implements, machineries and such other appliances and chemicals as are required in agriculture.

64. To grow, cultivate, produce, manufacture, treat, blend, render marketable and transport whether in bulk or in packed or concentrated forms, tea, coffee, cocoa or any other beverages, all varieties of foods, and food products, plantation crops, orchard crops, cereals, vegetables, spices, essential oils, aromatic substances, including the growing, cultivation and reproduction of tea seeds and other reproduce vegetative material of all types and to buy, sell, store, further process, sort, grade, or otherwise prepare, import, export, consign of and deal in and trade in all or any of the aforesaid produce or commodities, things and products either in process or finished, manufactured or raw state by retail, wholesale or otherwise
65. To carry on the business of manufacturers of and dealers in chemicals of any nature and as wholesale or retail chemists, druggists, oil and colour men, importers, exporters and dealers in heavy chemicals, alkalies, acids, dyes, perfumes, essences, pharmaceutical, sizing, medicinal, chemical, industrial and other preparations, mineral and other waters, drugs, dyestuffs, soaps, varnishes, oils, resins, paints, varnishes, compounds, rubber chemicals and preparations, organic or mineral intermediates, pigments and colour grounds, makers of and dealers in proprietary articles and compounds of any nature.
66. To engage in research into all problems relating to personnel and industrial and business management and distribution, marketing and selling, and to collect, prepare and distribute information and statistics relating to any type of business and industry and generally to act as market research consultants.
67. To build, construct, maintain, enlarge, pull down, remove or replace, improve or develop and to work, manage and control any buildings, offices, factories, mills, foundries, godowns, warehouses, shops, plant and machinery, road ways, electrical works, gas works, water works, and to sink wells and shafts, and to make build and construct, lay down and maintain dams, reservoirs, cisterns, culverts, filter beds, mains and other pipes and appliances, and to execute and to do all other acts and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water and to join with any person or company or with any Governmental authority in doing any of these things.

AND IT IS HEREBY DECLARED THAT :

- (i) the objects incidental or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company herein mentioned.
- (ii) The word "company" (when used with reference to this Company) in this Memorandum shall be deemed to include any partnership or other body of associates of persons whether incorporated or not and wherever domiciled.
- (iii) The objects set forth in each of the several clauses of paragraph (A) hereof shall have the widest possible construction and shall extend to any part of the world.
- (iv) Subject to the provisions of the Companies Act, 1956, no clause of any clause of sub-paragraph (A) hereof shall be independent and shall be read, construed or restricted by reference to or inference from the terms of any of the clauses of sub-paragraph (A) or by the name of the Company. None of the clauses in sub-paragraph (C) or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in any of the clauses of sub-paragraph (A).

IV. THE LIABILITY OF THE MEMBERS IS LIMITED.

- v. The Authorised Share Capital of the Company is Rs.5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each.

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.

Names, Addresses, Descriptions and Occupation of Subscribers	No. of Equity Shares taken by each Subscriber.	Signature of Subscribers.	Signatures, Addresses Descriptions and Occupation of Witnesses.
<p><b>MUKESH PRAVINCHANDRA SHROFF</b> Block No 2, 1st Floor, Bansilal Bldg No.1, 62/68 Gungeum Road, Bombay - 400 004. S/o. pravinchandra vadilal Shroff Business Executive.</p>	10 (TEN)	Sd/-	<p>Sd/- <b>PRADIP RATILAL SHROFF</b> o, Lentin Chambers, 36, Dalal Street, Fort. Bombay - 400 023. S/o. Ratilal Jekisondas Shroff Chartered Accountant</p>
<p><b>RAGHABAI RATILAL SHROFF</b> Block No.8, 2nd Floor, Nirmal Niwas No.1, August Kranti Marg., Bombay - 400 036. W/o. Ratilal J. Shroff. Investor.</p>	10 (TEN)	Sd/-	
<p><b>DHARATI JITENDRA SHROFF</b> Aryan Mahal "C" Road, Churchgate Bombay - 20. W/o. Jitendra R. Shroff. Business.</p>	10 (TEN)	Sd/-	
<p><b>VINAYAK BHIKAJI DESAI</b> 201, Debonair, 153/13, Savarkar Marg., Bombay - 400 016 S/o. Bhikaji Vinayak Desai, Business.</p>	10 (TEN)	Sd/-	
<b>TOTAL C./F.</b>	<b>40 (FORTY)</b>		

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.

Names, Addresses, Descriptions and Occupation of Subscribers	No. of Equity Shares taken by each Subscriber.	Signature of Subscribers.	Signatures, Addresses, Descriptions and Occupation of Witnesses
B./P	40 (FORTY)		
<p>STIENDRA RATILAL SHROFF</p> <p>Aryan Mahal, 77 Road, Churchgate, Bombay-26</p> <p>S/o. Ratilal J. Shroff</p> <p>Business.</p>	10 (TEN)	Sd/-	
<p>MANESH NAVIN SHROFF</p> <p>14 Manbhanda Bhavan, 3rd floor, Nariman Desai Road, Bombay - 400 004.</p> <p>S/o. Navin M. Shroff</p> <p>Business Executive.</p>	10 (TEN)	Sd/-	
<p>MADHAVI PRAVINCHANDRA SHROFF</p> <p>Block No.2, 1st floor, Bansilal Bldg. No.1, 62/68 Girgaum Road, Bombay - 400 004.</p> <p>W/o. Pravinchandra Ratilal Shroff</p> <p>Investor.</p>	10 (TEN)	Sd/-	
TOTAL	70 (SEVENTY ONLY)		<p>Sd/-</p> <p>PRADIP RATILAL SHROFF</p> <p>6, Lentin Chambers</p> <p>36, Dalal Street, Fort, Bombay - 400 023.</p> <p>S/o. Ratilal Jekisondas Shroff</p> <p>Chartered Accountant</p>

## ARTICLES OF ASSOCIATION

OF

### V.B.DESAI FINANCIAL SERVICES LIMITED

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1. The Regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956 shall not apply to this Company but the regulations for the management of the Company and for the observance thereof by the Members of the Company and their representatives, shall subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to, its regulations by special resolution, as prescribed by the Companies Act, 1956, be such as are contained in these Articles.

Company to be governed by the Articles and Table A not to Apply.

#### INTERPRETATION

2. The marginal notes hereto shall not affect the construction hereof. In these presents, unless there be something in the subject or context inconsistent therewith :

Interpretation.

"The Company" or "This Company" means the above named Company;

Company.

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

Act.

"The Office" means the Registered Office for the time being of the Company;

Registered Office.

"The Register" means the Register of Members to be kept pursuant to Section 150 of the Act;

Register.

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

Alter & Alteration.

"Dividend" includes bonus;

Dividend

"Directors" means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board of acting by circular under the Articles;

Directors

Board of Directors of Board	"Board of Directors" or "Board" means a meeting of the Directors duly called and constituted or, as the case may be the Directors assembled at a Board of acting by circular under the Articles;
Persons	"Person" includes corporation as well as individuals;
Debentures	"Debentures" includes debenture-stock, bonds, and other securities of the Company, whether constituting a charge on the assets of the Company or not;
Month and Year	"Month" and "Year" means respectively a calender month and a calendar year;
In writing or written	"In writing" or "written" means and includes words printed, lithographed, represented or reproduced in any mode in a visible form;
Modify & Modification.	"Modify" and "Modification" shall include the making of addition and omissions;
These Articles The Articles or These Presents.	"These Articles" or "the Articles" or "These Presents" means these Articles of Association as originally framed or as altered from time to time by special resolution.
Ordinary Resolution and Special Resolution	"Ordinary Resolution" or "Special Resolution" shall have the meanings assigned thereto respectively by Section 189 of the Act;
Variation and Vary	"Variation" shall include abrogation and "vary" shall include abrogate.
Singular number	Words importing the singular number include the plural number;
Plural Number	Words importing the plural number also include the singular number;
Gender.	Words importing the masculine gender also include the feminine gender;
Expressions in the Act bear the same meaning in Articles.	Subject as aforesaid, any words or expressions defined in the Act shall except where the subject or context forbids, bear the same meaning in these Articles.

## C A P I T A L

Capital.	3. The Share Capital of the Company is Rs.5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each, with power to increase and reduce the capital of the Company and to divide the shares into
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capital for the time being into several classes and to attach thereby respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

4. The Company shall have power to issue preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the provisions of the Act, exercise such power in any manner as they think fit, and provide for redemption of such shares on such terms including the right to redeemed at a premium or otherwise or by way of converting them in to Equity Shares at a premium or otherwise as they think fit.

Redeemable  
Preference  
Shares.

5. In the issue of Redeemable Preference Shares under the provisions of Article 4 the following provisions shall take effect :

Provisions in  
case of  
Redeemable  
Preference  
Shares.

- (a) No such shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares and for the purpose of the redemption;
- (b) No such shares shall be redeemable unless they are fully paid;
- (c) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's premium account before the shares are redeemed;
- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a Reserve Account, to be called "The Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed, and the provisions of the Act relating to the reduction of the share capital of a Company shall, except as provided by Section 70 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company;

- (e) Subject to the provisions of Section 80 of the Act, the redemption of Preference Shares may be effected in accordance with the terms and conditions of their issue and failing that, in such manner as the Board of Directors may think fit and the Company may issue shares upto the nominal amount of the shares redeemed or to redeemed as if those shares had never been issued;
- (f) Whenever the Company shall redeem any Redeemable Preference Shares the Company shall, within thirty days thereafter, give notice thereof to the Registrar of Companies as required by Section 95 of the Act.

**Increase of  
Capital**

6. The Company may by ordinary resolution in General Meeting from time to time alter the conditions of its Memorandum as follows, that is to say, it may :-

- (a) Increase its share capital by such amount as it thinks expedient by issuing new shares of such amount as may be deemed expedient and the new shares shall be issued on such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct and if no direction be given, as the Board of Directors shall determine, and in particular such shares may be issued with a preferential right to dividends and in the distribution of the asset of the Company;
- (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination;
- (d) 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 of the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share same as it was in the case of the share from which the reduced share is derived;

- (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this clause shall not be deemed to be a reduction of share capital within the meaning of the Act.

7. Whenever the company shall increase its capital beyond its authorised capital as referred to in Article 8(a), the Company shall file with the Registrar of Companies, notice of the increase of capital as required by Section 97 of the Act within thirty days after the passing of the Resolution authorising the increase. The notice shall include particulars of the class of shares affected and the conditions if any, subject to which the new shares have been or are to be issued.

Notice of  
Increase  
of Share  
Capital.

The Company shall also comply with the provisions of Sub-section (3) of Section 94 A within the time thereby limited

Whenever the Company shall do any one or more of the things provided for in Article 6(b), (c), (d) and (e) the Company shall within thirty days after doing so, give notice thereof to the Registrar of Companies as required by Section 95 of the Act, specifying as the case may be, the shares, consolidated, divided, converted, sub-divided, redeemed or cancelled or the stock re-converted.

8. Neither the original capital nor any increased capital shall be of more than two kinds, namely (a) Equity Share capital and (b) Preference Share Capital as defined in Section 85 of the Act.

Capital of  
two kinds  
only.

9.(1) Where at any time after the expiry of one year from the allotment of shares made for the first time, it is proposed to increase the subscribed capital of the Company by allotment of further shares then;

Further  
issue of  
capital.

- (a) such further shares shall be offered to the persons who at the date of the offer, are holder of the equity shares of the Company in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date;

- (b) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 days from the date of the offer within which the offer if not accepted will be deemed to have been declined;
- (c) the offer aforesaid shall be deemed to include right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right;
- (d) after the expiry of the time specified in the notice aforesaid or in receipt of earlier information 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 they think most beneficial to the Company.

(2) Notwithstanding anything contained in sub-clause (1), the further shares aforesaid may be offered to any person (whether or not those persons include the persons referred to in sub-clause (1) (a) in any manner whatsoever.

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

(3) Nothing in Clause (c) of sub-clause (1) hereof shall be deemed :-

- (a) to extend the time within which the offer should be accepted; or

- (b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

10. The Company may in General Meeting before the issue of any new shares determine that offer of new capital shares forming part of any increased capital of the Company or any of them shall be offered in the first instance to such person (whether members or holders of debentures of the Company or any class thereof or not) in such proportion upon such terms and conditions as either at a premium or at par or subject to compliance with the provisions of Section 79 of the Act at a discount as such General Meeting may determine and with full power to give to any person the option call for or be allotted shares of any class of the Company either at par or at a premium or subject at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.

Offer of  
new capital.

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

How for new  
shares to rank  
with shares  
of original  
capital.

12. The amount payable on application on each share of the Company shall not be less than five per cent of the nominal amount of the share.

Amount  
payable of  
application.

13. Whenever the Company shall make an allotment of its shares, it shall within thirty days thereafter file with the Registrar a return of allotment, as required by Section 75 of the Act.

Return of  
allotment.

14. The Company may from time to time by special resolution subject to confirmation by the Court and subject to the provisions of Section 100 to 104 of the Act, reduce its share capital, and capital redemption reserve account and share premium account in any way and in particular without prejudice to the generality of the foregoing power by :

Reduction  
of Capital.

- (a) extinguishing or reducing the liability on any of its shares in respect of the share capital not paid up, or
- (b) cancelling either with or without extinguishing or reducing liability on any of its shares, any paid up share capital which is lost or is unrepresented by available assets; or
- (c) paying off, either with or without extinguishing or reducing liability on any of its shares, any paid up share capital which is in excess of the wants of the Company;

and capital may be paid off upon the footing that it may be called up again or otherwise and paid up capital may be cancelled as aforesaid without reducing the nominal amount of share by the like amount to the intent that the unpaid and uncalled capital shall be increased by the amount.

#### NOTIFICATION OF RIGHTS

Power to  
modify  
rights.

15. Whenever, the share capital is divided into different classes of shares, the rights attached to the shares of any class may subject to the provisions of Sections 106 & 107 of the Act be varied with :-

- (a) the consent in writing of the holders of not less than three-fourths of the issued shares of that class;
- (b) the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class;

and all the provisions hereinafter contained as to general meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

#### S H A R E S

Shares to be  
numbered pro-  
gressively.

16. The shares in the capital shall be numbered progressively according to their several denominations,

and, except in the manner hereinbefore provided, no share shall be sub-divided.

17. Subject to the provisions of the Act and these articles the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and either at a premium or at par or (subject to the provisions of Section 79 of the Act) at a discount and at such times as the directors may think fit. Option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting.

Shares at  
the disposal  
of the  
Directors.

18. (1) Where the Company issues shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premia on those shares shall be transferred to an account to be called. "The Share Premium Account" and the provisions of the Act relating to the reduction of share capital of the Company shall except as provided in this Article, apply as if the share premium account were paid up share capital of the Company.

Application  
of premia  
received  
on shares.

(2) The Share Premium Account may notwithstanding anything in sub-clause (1) hereof be applied by the Company.

- (a) in paying the unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
- (b) in writing off the preliminary expenses of the Company;
- (c) in writing off the expenses of, or the commission paid or discount allowed on any issued shares or debentures of the Company; or
- (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

19. The Company may issue at a discount shares in the Company of a class already issued if the following conditions are fulfilled, namely :-

Shares at  
a discount.

- (i) the issue of the shares at a discount is authorised by a resolution passed by the

Company in general meeting and sanctioned by the Company Law Board;

- (ii) The Resolution specifies the maximum rate of discount (not exceeding 10% or such higher percentage as the Company Law Board may permit in any special case) at which the shares are to be issued;
- (iii) the shares to be issued at a discount are issued within two months after the date on which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.

The Board may issue shares as fully paid-up.

20. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment of any property sold or transacted or for services rendered to the Company in the conduct of its business and any shares which may be so issued shall be deemed to be fully paid up shares.

Acceptance of shares.

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

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

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

Instalments on shares to be duly paid.

23. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be registered holder of the share or his legal representative.

Liability of members.

24. Every member or his heirs, executors and administrators shall pay to the Company the proportion



of the capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Company's regulations require or fix for the payment thereof.

25. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares.

Liability of  
Joint-holders  
of shares.

26. 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 way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share in any share, or any interest in any fractional part of share, or (except only as by these regulations 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.

Trusts not  
recognised.

27. None of the funds of the Company shall except as provided by Section 77 of the Act be employed in the purchase of its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Sections 100 to 104 or of Section 402 of the Act or in giving either directly or indirectly and whether by means of a loan, guarantee, the provisions of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person, of or for any shares in the Company or in its holding Company or in loan upto the securities of its shares.

No purchase  
of or loans  
on company's  
shares.

28. The Company shall on being so required by a member, send to him within seven days of the requirement and subject to the payment of a fee of Re.1/- a copy of each of the following documents as in force for the time being :-

Copy of  
Memorandum  
and Articles  
of Association to be  
given to  
members.

- (a) the Memorandum;
- (b) The Articles;
- (c) the Agreement if any entered into or proposed to be entered into by the Company with any person appointed or to be appointed as its Managing Director or as its whole-time Director; and

- (d) every other agreement and every resolution referred to in Section 192 of the Act, if and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

## CERTIFICATES

### Certificates.

29. (1) Certificate of title to shares shall be issued under the Common Seal of the Company, which shall be affixed in the presence of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney and (ii) the Secretary or some other person appointed by the Board for the purpose; Provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or Whole-time Director.

(2) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal, or lithography, but not by any means of a rubber stamp; provided however, that notwithstanding anything contained in this clause, the certificate of title to shares may be executed and issued in accordance with such other provisions of the Act or the rules made thereunder as may be in force for the time being and from time to time. The Certificate shall be made out in favour of not more than four persons.

### Member's right to certificates.

30. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name and if he sells part of his holding, to one certificate for the balance or he may have several certificates each for one or more shares free of charge. The Company shall within three months after the allotment of any of its shares, debentures or debenture-stock or within two months after the application for the registration of the transfer of any shares, debentures or debenture-stock complete and have ready for delivery the certificates of all shares debentures and the certificates of all debenture-stock allotted or transferred unless the conditions of issue of the shares, debentures or debenture-stock otherwise provide. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid thereon.

### Issue of new certificates

31. If any certificate is lost or destroyed or defaced, mutilated or torn or has no further space on

the back thereof for endorsement of transfers then in case of a lost or destroyed certificates upon proof to the satisfaction of the Directors as to its loss or destruction and on such indemnity as the Directors deem adequate being given and in other cases, upon surrender of the certificate to the Company, a new certificate in lieu thereof shall be given to the party entitled to such certificate. Any new or renewed certificate may be marked as such. The out of pocket expenses incurred by the Company in investigating the evidence as to the loss or destruction shall be paid to the Company. No fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been utilised fully.

In case of one defaced or lost or destroyed.

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

To which of joint holders certificate to be issued.

33. If any share stand in the names of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus or service of notice and all or any other matters connected with the company except voting at the meeting and the transfer of shares be deemed at the sole holder thereof.

The first named of joint holders deemed sole holder.

34. In the case of death of any one or more of the persons named in the Register as the joint holders of any share the survivors or survivor shall be the only person or persons recognised by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a joint holder from any liability on shares held by him jointly with any other person.

Death of one or more Joint holders of shares.

#### UNDERWRITINGS AND BROKERAGE

35. (1) The Company may at any time pay a commission to any person in consideration of :-

Commission for placing shares.

- (a) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or
- (b) his procuring or agreeing to procure subscriptions whether absolutely or conditional for any shares in, or debentures of, the Company, if the following conditions are fulfilled namely :

- (i) the commission paid or agreed to be paid does not exceed in the case of shares, five percent of the price at which the shares are issued and in the case of debentures two and half percent of the price at which the debentures are issued;
- (ii) the amount or rate percent of the commission paid or agreed to be paid is in the case of shares or debentures offered to the public for subscription disclosed in the Prospectus and in the case of shares or debentures not offered to the public for subscription disclosed in the Statement in lieu of prospectus, or in a subscription, disclosed in the Statement in lieu of prospectus, or in a statement in the form prescribed in the Act signed in like manner as a Statement in lieu of prospectus and filed before the payment of commission with the Registrar and, where a circular or notice, not being a prospectus inviting subscription for the shares or debentures, is issued, also disclosed in that circular or notice, and
- (iii) the number of shares or debentures which persons have agreed for a commission to subscribe absolutely or conditionally is disclosed in the manner aforesaid.

(2) Save as aforesaid and save as provided in Section 79 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly in payment of any commission, discount or allowance to any person in consideration of :-

- (a) his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company or;
- (b) his procuring or agreeing to procure subscriptions whether absolute or conditional, for any shares in or debentures of the Company.

Whether the shares, debentures or money be so allotted or applied by being added to the purchase money of any

property acquired by the Company or the contract price of any work to be executed for the Company, or the money be paid out of the nominal purchase or contract price or otherwise.

(3) Nothing in this clause shall affect the power of the Company to pay such brokerage as it is lawful for the Company to pay.

(4) A vendor to, promotor of or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures, or money so received in payment of any commission the payment of which if made directly by the Company would have been legal under this clause.

(5) The commission may be paid or satisfied subject to the provisions of the Act and these presents in cash or in shares in or debentures of the Company.

36. Where the Company has paid any sum by way of commission in respect of any shares or debentures or allowed any sums by way of discount in respect of any debentures such statement thereof as required by Part I of Schedule V to the Act shall be made in the Annual Return to be made by the Company under Section 159 of the Act.

Commission  
to be inclu-  
ded in the  
Annual  
Return.

#### INTEREST OUT OF CAPITAL

37. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant which cannot be made profitable for a lengthy period, the Company may with the previous sanction of the Central Government :-

Payment of  
Interest.

- (a) pay interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Sub-sections (2) to (7) of Section 208 of the Act; and
- (b) charge the sum so paid by way of interest to capital as part of the cost of the construction of the work or building or the provision of the plant.

## TRANSFER AND TRANSMISSION OF SHARES

Register of  
transfer etc.

38. (1) The Company shall keep a book called "The Register of Transfers" and therein shall fairly and distinctly enter the particulars of every transfer or transmission of any shares.

(2) Transfers of shares shall be subject to the provisions of Sections 108 to 108H (inclusive) in so far as they may be applicable.

Execution  
of transfer  
etc.

39. No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. The instrument of transfer of any share shall be duly stamped and be executed by or on behalf of the transferor and by or on behalf of the transferee and shall specify the name, address and occupation, if any of the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

Form of  
transfer.

40. The instrument of transfer of any share shall be in writing in the usual common form or in such form as may be approved by or current in any recognised stock exchange or as near thereto as circumstances may require.

The Board  
may decline  
to register  
transfer.

41. The Directors may subject to the right of appeal conferred by Section 111 of the Act in their absolute and uncontrolled discretion and without assigning any reason, decline to register any transfer of or the transmission by operation of law of the right to any shares in or debentures of the Company to any person of whom they do not approve, and in particular, may so decline in any case in which the Company has a lien upon the shares or any of them. The registration of a transfer shall be conclusive evidence of the approval by the Board of the transferee but so far only as regards the share or shares in respect of which the transfer is so registered and not further or otherwise and not so as to debar the Directors from declining to register any subsequent or other transfer of other shares applied for in the name of such transfer provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except as stated hereinabove.

42. (1) Any application for registration of a transfer of share may be made either by the transferor or transferees. Transfer of shares.

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

(3) For the purpose of sub-section (2) hereof notice to the transferee shall be deemed to have been duly given if it is 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.

(4) It shall be lawful for the Company to refuse to register a transfer of any shares, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, or the transferee has been delivered to the Company along with the certificate relating to the shares or if no such certificate is in existence along with the letter of allotment of shares provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is provided to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost the Company may register the transfer on such terms as to indemnify as the Board may think fit.

(5) If the Company refuses to register any such transfer or transmission or right, the Company shall within two months from the date on which the instrument of transfer or the intimation of such transmission as the case may be was delivered to the Company send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.

Nothing in sub-clause (4) hereof shall prejudice power of the Company hereunder to refuse to register the transfer of or the transmission by operation of law of the right to any shares in or debentures of the Company.

The Company shall comply with the provision of Section 108 of the Act.

Transfer to be left at office as evidence of title given.

43. Every instrument of transfer duly executed and stamped 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.

When transfer to be retained.

44. 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, on demand, be returned to the person depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

Closure of Transfer Books.

45. The Directors may after giving not less than seven days previous notice by advertisement as required by Section 154 of the Act close the Register of Members or the Register of Debentures holders for any period or periods not exceeding in the aggregate forty five days in each year but not exceeding thirty days at any one time.

Transmission of shares.

46. The executors or administrators of a deceased shareholders (whether European, Hindu, Mohomedan, Parsi and otherwise) or the holder of succession certificate shall be the only person to be recognised by the Company as having any title to his share except in case of joint holders in which case the surviving holder or holders or the executors or administrators of the last surviving holder shall be the only persons entitled to be so recognised but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share held jointly by him. The Company shall not be bound to recognise such executor or administrator or the holder of a succession certificate of administration or a succession certificate or other legal representation as the case may be from a duly constituted competent court in India or from any court or authority authorised by any Act of the Legislature of India or by any order or notification of the President of India to grant such probate, letters of administration, succession certificate or other legal representation provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of probate or letters of administration or succession certificate or other legal representation upon such terms as to indemnify or otherwise as the Directors may deem fit.



47. Any person becoming entitled to shares in consequence of the death lunacy or insolvency of any member, upon producing proper evidence of the grant of probate or letters of administration or succession certificate or such other evidence that he sustains the character in respect of which he proposes to act under this clause 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) be registered as a member in respect of such share or may subject to the regulations as to transfer hereinbefore contained transfer such share. This clause is herein referred to as "the Transmission Clause".

Transmission  
clause.

48. The Directors shall subject to the provisions of Article 41 hereof have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Director's  
right to  
refuse to  
register.

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

Board may  
require  
evidence of  
transmission.

50. A fee not exceeding twenty-five paise per share may be charged in respect of the transfer or transmission as may from time to time be fixed by the Directors. Such maximum may be a single fee payable on any one transfer or transmission of any number of shares of one class or denomination or may be a single fee payable on any one transfer or transmission of any number of shares of one class or denomination or may be on a graded scale varying with the number of shares of any one class comprised in one transfer or transmission or may be fixed in any other manner as the Directors in their discretion determined. It is clarified that the Directors may resolve not to charge any fee on transfer or transmission in respect of all or any class or any number of shares.

Fee on  
transfer or  
transmission.

51. The certification by the Company of any instrument of transfer of shares in, or debentures of the Company shall be taken as a representation by the Company to any person acting in the faith of the certification that there have been produced to the Company such documents as on the face of them shown prima facie

Certificate  
of transfer.

title to the shares or debentures in the transferor named in the instrument of transfer but not as a representation that the transferor has any title to the shares or debentures.

52. The Company shall incur no liability or responsibility whatsoever 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 on the Register of Members) to be prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to attend or give effect to any such 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 if the Directors shall so think fit.

Transfer of  
Debentures.

53. The provisions of these Articles mutatis mutandis apply to the transfer of or the transmission by operation of law of the right to debentures of the Company.

#### C A L L S

54. The Directors may, from time to time by resolution passed at a meeting of the Directors and not by a circular resolution, make such calls as they may think fit, upon the members in respect of all moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the share or by 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 be made payable by instalments.

Payment by  
instalments  
of issue  
price.

55. If by the condition of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalment every such instalment shall when due be paid to the Company by the person who for the time being shall be the registered holder of the share or his legal representative.

56. No call shall exceed one-fourth of the nominal amount of a share or be made payable within two months after the last preceeding call was payable. All calls shall be made on a uniform basis on all shares falling under the same class. Shares of the same nominal value on which different amounts have been paid up shall not be deemed to call under the same class.

Restrictions  
of power to  
make call.

57. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed at a meeting of the Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Directors.

When calls  
deemed to  
have been  
made.

58. Fifteen days' notice of any call shall be given specifying the time and place of payment and to whom such call be paid provided that before the time for payment of such call the Directors may by notice in writing to the members, revoke the same.

Notice of  
calls.

59. If by the terms of issue of any share or otherwise any amount is payable at any fixed time or by instalments at fixed times, whether on account of the nominal amount of the share or by way of premium, if any such amount or instalment shall be payable as if it were a call duly made by the directors and payable on the date on which by the terms of issue such sum becomes payable and of which due notice has been given. In case of non-payment of such sum, all the relevant provisions herein contained as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

When amount  
payable.

60. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same from the day appointed for payment thereof to the time of actual payment at the rate of 18% per annum or at such rate as the Directors may determine. The Directors shall be at liberty to waive the payment of any such interest wholly or in part.

When interest  
on call or  
instalment  
payable.

61. 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 shareholders who from residence or other cause the

Directors  
may extend  
time.

Directors may deem fairly entitled to such extension but no share-holders shall be entitled to such extension save as a matter of grace and favour.

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

Evidence  
in action  
for call.

63. On the trial or hearing of any action for the recovery of any money due for any call it shall be sufficient to prove that the name of the member sued is entered in the Register as the holder or one of the holders of the shares in respect of which such debt accrued; that the resolution making a call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these present; and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

64. The Directors may, if they think fit, receive from any member willing to advance the sums, the whole or any part of the amount remaining unpaid on any shares held by him beyond the same 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 (until the same would but for such advance become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, nine per cent per annum as the member paying such sum in advance and the Directors may agree upon and the Directors may at any time, repay the amount so advanced upon giving to such member three months notice in writing. The member making such advance payment 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, nor shall be entitled in respect thereof to dividend or to participate profits.

Particulars of  
calls paid and  
not paid to be  
shown in annual  
return.

65. Particulars of (a) amount called up to the date of Company's Annual General Meeting on each share, (b) the total amount of calls paid and received upto that date and (c) the total amount of calls unpaid at that date shall be shown in the annual return.

#### FORFEITURE

If calls or  
instalment

66. If any member fails to pay any call or instalment or a call on or before the date appointed for

the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may be accrued, and all expenses that may have been incurred by Company by reason of such non-payment.

not paid  
notice may  
be given.

67. The notice shall name a day not being earlier than the expiry of fourteen days) from the date of service of the notice and a place or places, on and 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 on 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.

68. If the requirements of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may, at any time thereafter, before 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 forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

If notices  
not complied  
with shares  
may be  
forfeited.

69. When any share shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and any entry of the forfeiture, with the date thereof shall forthwith be made in the Register provided however that the failure to give the notice will not in any way invalidate the forfeiture.

Notice after  
forfeiture.

70. Any shares so forfeited shall be deemed to be the property of the Company and the Directors may sell, reallocate and otherwise dispose of the same in such manner as they think fit.

Forfeited  
share to  
become pro-  
perty of the  
Company.

71. The Directors may at time before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as they may think fit.

Power to  
annul  
forfeiture

72. Any members whose share shall have been forfeited shall, notwithstanding be liable to pay and shall forthwith pay to the Company all calls, instalments, interests and expenses owing upon or, in respect such

Arrears to be  
paid notwith-  
standing  
forfeiture.

shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at the rate of nine per cent per annum and the Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation so to do.

Effect of  
forfeiture.

73. The forfeiture of a share shall involve the extinction of all interest in, and also all claims and demands made against the Company in respect of the share and all other rights incident to the share except only such of those rights as by those Articles are expressly saved.

Certificate  
of forfeiture.

74. A duly verified declaration in writing that the declarant is a Director, the Manager or Secretary of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons entitled to the share.

Title of  
Purchaser  
and allottee  
of forfeited  
shares.

75. The Company may receive the consideration if any given for the shares on any sale, reallotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom such share is sold, reallotted or disposed of and the person to whom such share is sold, reallotted or disposed of may not (unless by express agreement) be liable to pay any calls, amounts, instalments, interest and expenses owing to the company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale reallotment or disposal of share.

Partial  
payment not  
to preclude  
forfeiture.

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

The provisions  
of these

77. The provisions of these Articles as to forfeited shares shall apply to the case of non-payment of any

sum which by the terms of issue of a share become payable at a fixed time whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

articles as to forfeiture to apply in case of non-payment of any sum.

## L I E N

78. The Company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien thereon only in respect of all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared and payable 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 share. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Company's  
lien on  
shares.

79. 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 or the person or persons entitled by transmission to the shares 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.

As to  
enforcing  
lien by  
sale.

80. The net proceeds of any such sale, after payment of the cost of such sale, shall be applied in or towards satisfaction of all moneys called and payable in respect of such shares and the residue (if any) paid to such member or to the person (if any) entitled by transmission to the shares so sold.

Application  
of proceeds  
of sale.

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

Validity of  
sales under  
articles  
78 and 79.

## CONVERSION OF SHARES INTO STOCK

Conversion  
of shares  
into stock.

82. The Company by resolution in General Meeting may convert any paid up shares into stock and may convert any stock into paid up shares of any denomination. Where any shares have been converted into stock, the several holders of such stock may, thenceforth, transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which fully paid up shares in the Company's capital may be transferred or as near thereto as circumstances will admit. But the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with power nevertheless, at their discretion to waive such rules in any particular case.

Right of  
stock-  
holders.

83. The stock shall confer on the holder thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company, and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company for the same class as the share from which such stock, was converted, but so that none of such privileges or advantages except in the participation in profits of the Company, or in the assets of the Company, on a winding up, shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the shares so converted. Save as aforesaid, but subject to the provisions of Section 96 of the Act, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares.

## MEETINGS

Annual  
General  
Meeting.

84. (1) (a) The Company shall in each year hold in addition to any other meetings, a general meeting as its Annual General Meeting and shall specify the meetings as Annual General Meeting in the notices calling the same.
- (b) Annual General Meeting shall be held by the Company within six months after the expiry of each financial year.



- (c) Not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next unless the Registrar of Companies shall have for any special reason extended the time for holding any Annual General Meeting.

(2) Every Annual General Meeting shall be called at a time during the 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 of Bombay as the Directors may determine.

85. The Company shall within sixty days from the day on which the Annual General meeting is held prepare and file with the Registrar of Companies; Annual  
Return.

- (1) A return in the Form set out in Part II Schedule V of the Act or as near thereto as the circumstances will admit signed by both a Director and by Manager or Secretary of the Company and where there are no Manager or Secretary, by two of the Directors of the Company, one of whom shall be the Managing Director where there is one, containing the particulars specified in part I of the said Schedule V as they stood on that day, regarding :

- (a) its registered office;
- (b) the register of its members;
- (c) the register of its debenture-holders;
- (d) its shares and debentures;
- (e) its indebtedness;
- (f) its members and debenture-holders, past and present; and
- (g) its directors, managing directors, whole-time directors, managers, and secretaries past and present;

Provided that if any of the two immediately preceding returns have given as at the date of the Annual General Meeting with reference to which it was submitted, the full particulars required as to past and present members

and the shares held and transferred by them, the return in question may contain only such of the particulars as relate to persons ceasing to be or becoming members since that date and to shares transferred since that date or to change as compared with that date in the number of shares held by a member;

- (2) The reference in this article to the day on which an Annual General Meeting is held or to the date of the Annual General Meeting shall, where the Annual General Meeting for any year has not been held, be construed as a reference to the latest day on or before which that meeting should have been held in accordance with the provisions of the Act;
- (3) Where the return is filed even though the Annual General Meeting has not been held on or before the latest day by which it should have been held in accordance with the provisions of the Act, the Company shall file with the return a statement specifying the reasons for not holding the Annual General Meeting;
- (4) A certificate signed by the signatories to the above returns stating that the return states the facts as they stood on the day of the Annual General Meeting correctly and completely and that since the date of the last annual return the transfer of all the shares and debentures and the issue of all further certificates of shares and debentures, have been appropriately recorded in the books maintained for that purpose;
- (5) (i) Three copies of the balance sheet and the profit and loss account laid before the Annual General Meeting within thirty days from the date on which the balance sheet and profit and loss accounts were so laid or where the Annual General Meeting for any year has not been held within thirty days from the latest day on or before which that meeting should have been held or if there be none of these by a Director, Manager or Secretary or if there be none of these by a Director of the Company together with three copies of all documents required by the Act to be annexed or attached to such balance sheet or profit and loss accounts.

- (11) If the Annual General Meeting of the Company before which the balance sheet is laid does not adopt the balance sheet or if the Annual General Meeting for any year has not been held, a statement on that fact and of the reasons therefore shall be annexed to the balance sheet and to the copies thereof required to be filed with the Registrar.

86. (1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of members as is hereinafter specified and (unless the Annual General Meeting otherwise resolves) at the expense of the requisitionists :

Circulation  
of members.  
Resolution.

- (a) give to the members of the Company entitled to receive notice of the next Annual General Meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- (b) circulate to members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that meeting;

(2) The number of members necessary for a requisition under sub-clause (1) hereof shall be :

- (a) Such number as represent not less than one twentieth of the total voting power of all the members having at the date of the requisition a right to vote on the resolution or business to which the requisition relates; or
- (b) not less than hundred members having the right aforesaid and holding shares in the Company on which there has been paid up an aggregate sum of not less than rupees one lac in all.

(3) Notice of any such resolution shall be given and any such statement shall be circulated to members of the Company entitled to have notice of the meeting sent to them, by serving a copy of the resolu-

tion or statement on each member in any manner permitted by the Act for service of notice of the meeting; Company by giving notice of the General effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served or notice of the effect of the Resolution shall be given, as the case may be, in the same manner and, so far as practicable, at the same time as the notice of the meeting and where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

(4) The Company shall not be bound under this article to give notice of any resolution or to circulate any statement unless a copy of the resolution signed by the requisitionists (or two or more copies of which between them contain the signatures of all the requisitionists) is deposited at the Registered Office of the Company (i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting and (ii) in the case of any other requisition, not less than two weeks before the meeting; and there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto, provided that if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this Article shall be deemed to have been properly deposited for the purposes thereof.

(5) The Company shall also not be bound under this article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this article are being abused to secure needless publicity for defamatory matter.

(6) Notwithstanding anything, in these presents contained, the business which may be dealt with at an Annual General Meeting shall include any resolution of which notice is given in accordance with this article and for the purposes of this sub-clause notice shall be deemed to have been so given notwithstanding the accidental omission in giving it to one or more members.

Extra-  
Ordinary  
General  
Meeting.

87. All meetings of the Company other than the Annual General Meeting shall be called 'Extra Ordinary General Meetings'.

88. The Directors may whenever they think fit, convene an Extraordinary General Meeting.

Directors may call Extra-ordinary General Meeting.

89. (1) The Directors shall on the requisition of such number of members of the Company as is specified in sub-clause (4) hereof forthwith proceed duly to call an Extraordinary General Meeting of the Company and in the case of such requisition the following provisions shall have effect;

Calling of Extra Ordinary General Meeting on requisition.

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

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

(4) The number of members entitled to requisition a meeting in regard to any matter shall be such member as hold at the date of the deposit of the requisition not less than one-tenth of such of the paid up capital of the Company as on that date carries the right of voting in regard to that matter.

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

(6) If the Directors do not, within twentyone days from the date of the deposit of a valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid than one-tenth of such of the paid up share Capital of the Company as at the deposit of the requisition carries the right of voting in regard to the matter referred to in the requisition whichever is less but any meeting so convened shall not be held after the expiry of three months from the date of the deposit of the requisition provided however that nothing herein contained shall be deemed to prevent a meeting duly commenced before the expiry of the said period of three months from adjourning to some other day after the expiry of that period.

(7) In the case of a meeting at which a resolution is to be proposed as a Special Resolution, the Directors shall be deemed not to have duly convened the meeting if they do not give such notice thereof as is required to be given for a special resolution under Section 189 (2) of the Act.

(8) Any meeting convened under this article by the requisitionists or any of them shall be convened in the same manner as nearly as possible as that in which meeting are to be convened by the Directors.

(9) Where two or more persons hold any shares in the Company jointly, a requisition or a notice calling meeting signed by one or more only of them shall for the purpose of this clause have the same force and effect as if it had been signed by all of them.

(10) Any reasonable expenses incurred by the requisitionists, by reason of the failure of the Directors duly to call a meeting shall be repaid to the requisitionists by the Company and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as are in default.

Length of  
notice for  
calling  
meeting.

90. (1) Any General Meeting of the Company whether Annual General Meeting or Extraordinary General Meeting may be called by giving not less than twenty-one days notice in writing.

(2) A General Meeting may be called after giving shorter notice than that specified in sub-clause (1) hereof if consent is accorded thereto;

(i) In the case of an Annual General Meeting by all the members entitled to vote thereat; and

(ii) In the case of any other meeting, by members of the Company holding not less than ninety-five per cent 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 the meeting and not on the others, those members shall be taken into account for the purposes of this sub-clause in respect of the former resolution or resolutions and not in respect of the later.

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

Contents and manner of service of notice and persons on whom it is to be served.

(2) Notice of every meeting of the Company shall be given :

(i) to every member of the Company in any manner under sections (1) to (4) of Section 53 of the Act;

To whom notice of meetings to be given.

(ii) 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 assignees of the insolvent, or by any like description at the address, if any, in India, supplied for the purpose by the persons claiming to be so entitled, or until such address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred;

(iii) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of any member or members of the Company;

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

As to omission to given notice.

92. All business to be transacted at an Annual General Meeting with the exception of business relating to (i) the consideration of the accounts, balance sheet and the reports of the Auditors, and Directors (ii) the declaration of a dividend; (iii) the appointment of Directors in the place of those retiring; and (iv) the appointment of and the fixing of the remuneration of the

Special business.

Auditors, and all business to be transacted at any other meeting of the Company shall be deemed "Special".

Explanatory  
Statement to  
be annexed  
to notice.

93. Where any items of business to be transacted at any meeting of the Company are deemed to be Special as aforesaid, there shall be annexed to the notice of the meeting a Statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager, if any and specifying where any item of business consists of the according of approval to any document by the meeting, the place and time where the document can be inspected.

Provided that where any item of special business to be transacted at a meeting relates to or affects any other company, the extent of shareholding interest in that other company of every Director, and the Manager, if any, of the Company, shall be set out in the statement if the extent of such shareholding interests is not less than twenty per cent of the paid up capital of that other Company.

General Meeting  
not competent to  
discuss or  
transact any  
special busi-  
ness without  
special notice.

94. No General Meeting, Ordinary or Extra-ordinary shall be competent to enter upon, discuss or transact any item of business deemed to be special unless notice thereof is given in the notice convening the meeting.

Quorum

95. Five members entitled to vote and present in person shall be a quorum for a General Meeting. When more than one of the joint holders of a share is present, not more than one of them shall be counted for ascertaining the quorum. Several executors or administrators of a deceased person in whose sole name shares stand shall for the purposes of this clause be deemed joint holders thereof.

Presence of  
Quorum.

96. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business.

Chairman  
of General  
Meeting.

97. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting. If there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declines to take the chair, the Directors present may choose one of their number to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman, and if no



director present be willing to take the Chair, shall on show of hands elect one of their number to be Chairman of the meeting. If a poll is demanded on the election of the Chairman, it shall be taken forth with in accordance with the provisions of the Act and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

98. No business shall be discussed at any General Meeting except election of a Chairman while the Chair is vacant.

Business confined to election of Chairman while chair vacant.

99. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting, shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote such meeting and seconded by another member present and entitled to vote at such meeting.

Resolution must be proposed and seconded.

100. At any General Meeting a resolution put to vote of the meeting shall unless a poll is demanded be decided on a show of hands.

How questions to be decided at meeting.

101. A declaration by the Chairman that on a show of hands a resolution has or has not been carried or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the meeting of the Company, shall be conclusive evidence of the fact without proof the number or proportion of the votes cast in favour of or against such resolution.

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

102. Before 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 member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Demand for poll.

(2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Manner of  
taking  
poll and  
result  
thereof.

103. Subject to the provisions of the Act the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken. The result of the poll shall be deemed to be the decision of the meeting or the resolution on which the poll was taken.

Power to  
adjourn  
General  
Meeting.

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

Time of  
taking  
poll.

105. Any poll duly demanded on the question of adjournment shall be taken forthwith. A poll demanded on any other question (not being question relating to the election of a Chairman) shall be taken at such time not exceeding 48 hours from the time when the demand was made as the Chairman may direct.

Business may  
proceed not-  
withstanding  
demand for  
poll.

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

Member not  
entitled to  
vote will  
not be enti-  
tled to demand  
a poll.

107. No member shall be entitled to demand a poll or exercise any voting rights if any calls or other sums presently payable by him in respect of any registered in his name have not been paid or in regard to which the Company has and has exercised any right of lien.

Right of  
member to  
use his vote  
differently.

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

Scrutineers  
at poll.

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

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

Chairman to be the sole judge of the validity of the vote tendered at poll.

111. In the case of equality of votes, the Chairman shall both on a show of hands and on a poll, have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

Chairman's casting vote.

112. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if called upon such requisition as aforesaid, shall be dissolved but in any case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other day, time and place, as the Board of Directors may determine.

If quorum not present meeting to be dissolved and when to be adjourned.

113. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.

Adjourned meeting, to transact business.

114. Where a resolution is passed at an adjourned meeting of the Company the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Resolution passed at adjourned meeting.

115. Where by any provision contained in the Act or in these presents, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner, as it gives notice of the meeting or if that is not practicable, shall give them notice thereof by advertisement in a newspaper having an appropriate circulation not less than seven days before the meeting.

Special Notice.

116. The following resolutions shall require special notice :-

Resolutions requiring special notice.

- (1) Resolution under Section 225 of the Act, at an Annual General Meeting appointing

as auditor a person other than a retiring auditor or providing expressly that a retiring auditor shall not be re-appointed;

- (2) Resolution, under Section 284 of the Act, removing a Director of appointing somebody in his stead.

Registration  
of certain  
documents and  
agreements  
with the  
Registrar.

117. The Company shall subject to Section 192 of the Act, file with the Registrar of Companies printed or type-written copies of :-

- (a) Special Resolutions;
- (b) Resolution which have been agreed to by all the members of the Company;
- (c) Any resolution of the Board of Directors or agreement executed by a Company relating to appointment re-appointment or renewal of the appointment or variations of the terms of appointment of a Managing Director.
- (d) Resolutions or agreements which have been agreed to by all the members of any class of shareholders, or by a particular majority or otherwise in some particular manner required by the Act or by these presents;
- (e) Resolutions passed by the Company :-
  - (i) according consent to the Board of Directors to exercise any of the powers under Clause (a) Clause (d) and Clause (e) of Sub-Section (1) Section 293;
  - (ii) Approving the appointment of the Sole Selling Agents under Section 294 or Section 294AA.
- (f) Resolutions for voluntary winding-up of the Company.

- (g) The terms and conditions of appointment of a Sole Selling Agent appointed under Section 294 or of a Sole Selling Agent appointed or other person appointed under Section 294AA together with a copy of the statement of material facts annexed under Section 173 of the Act to the notice of the meeting in which the aforesaid resolutions were passed. Such resolution shall be duly certified under the signature of an officer of the Company within thirty days after the passing or making thereof and shall embody in or annex copies of resolutions altering the articles and of such agreements to every copy of the Articles issued after the passing of such resolutions or making of such agreements.

### VOTING RIGHTS

118. A member paying the whole or a part of the remaining unpaid on any shares held by him, although no part of that amount has been called up shall not 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.

Member paying any moneys in advance not to be entitled to vote in respect thereof.

119. No member shall exercise any voting right in respect of any shares registered in his name, on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

Restricting on exercise of voting right members who have not paid calls.

120. Subject to the provisions of Articles 188 and

Votes of members holding equity shares.

- (a) every member of the Company holding any equity share capital whether issued before or after the commencement of the Companies Act, 1956, and otherwise entitled to vote shall on a show of hands when present in person, have one votes.
- (b) every member of the Company holding any equity share capital issued before the commencement of the Companies Act, 1956, and otherwise, entitled to vote shall on a poll when present in person or by proxy have one vote for each

equity share of the nominal value of Rs.100/- held by him.

- (c) every member of the Company holding any equity share capital issued after the commencement of the Companies Act, 1956, and otherwise entitled to vote shall on a poll when present in person or by proxy have voting right in proportion to his share of the paid up equity capital of the Company.

Voting rights  
of preference  
Share holders.

121. Subject to provisions of Section 87 of the Companies Act, the holder of the preference Shares shall have, in respect of such preference shares held by them, the voting rights as provided in article 3 of the Articles of Association, but no further or otherwise.

Voting rights  
of new preference  
shares.

122. (1) Subject to the provisions of Article 118 and 119 every member of the Company holding preference share capital, be entitled to vote on every resolution placed before the company at any meeting, if the dividend due on such capital or any part of such dividend has remained unpaid :-

- (i) in the case of commulative Preference Shares, in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting; and
- (ii) in the case of non-cumulative preference shares either in respect of a period of not less than two years ending with the expiry of the financial year immediately preceding the commencement of the meeting or in respect of any aggregate period of not less than three years comprised in the six years ending with the expiry of the financial year aforesaid.

(2) For the purpose of Sub-clause (i) hereof, dividend shall be deemed to be due on preference shares in respect of any period, whether a dividend has been declared by the Company on such shares for such period or not :-

- (a) on the last day specified for the payment of such dividend for such period,

in any instrument executed by the Company in that behalf; or

- (b) in case no day is so specified on the day immediately following such period.

(3) Where the holder of any preference share has a right to vote on any resolution in accordance with the provisions of sub-clause (1) hereof, his voting right on a poll, as the holder of such share, shall subject to the provisions of Section 89 and sub-section (2) of the Section 92 of the Act, be in the same proportion as the capital paid up in respect of the Preference Share bears to the total paid up equity capital of the Company.

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

No voting by proxy on show of hands.

124. Votes may be given either personally or by proxy or in the case of a company or other corporation, by a representative duly authorised as aforesaid.

Proxies permitted.

125. The instrument appointing a proxy shall be in writing and 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 attorney duly authorised by it.

Instrument of proxy.

126. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member of the Company.

Member entitled to appoint a proxy.

127. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or notarially certified copy of that Power of Attorney or authority shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or adjourned 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.

When vote by  
proxy valid  
though  
authority is  
revoked.

128. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the vote is given provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Form of  
Proxy.

129. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form or to the effect.

#### FORM OF PROXY

I/We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ being  
a member/s \_\_\_\_\_, hereby  
appoint \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district  
of \_\_\_\_\_ (or failing him, \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_) as  
my/our proxy to vote for me/us and on my/our behalf at  
the Annual General Meeting/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 \_\_\_\_\_ 19 \_\_\_\_\_.

Members  
entitled to  
inspect the  
proxies.

130. Every member entitled to vote at a meeting of the Company or on any resolution to be moved thereat shall be entitled during the period beginning twentyfour hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days notice in writing of the intention so to inspect is given to the Company.



131. Any person entitled under the transmission clause to transfer any shares, may vote in General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that fortyeight 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 unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Vote in  
respect of  
shares of  
deceased or  
insolvent  
member.

132. Where there are joint-holders of any shares, any of such persons may vote at any meeting either personally or by proxy or by agent duly authorised under a Power of Attorney in respect of such share as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting personally or by proxy or by an agent duly authorised under a power of attorney that one of the said persons so present whose name stands first or higher as the case may be on the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to be present at the meeting provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by proxy although the name of such person present by an agent or proxy stands first or higher in the Register in respect of such share. Several executors or administrators of a deceased member in whose (deceased member's) sole name any shares stand, shall for the purpose of this clause be deemed joint-holders thereof.

Joint  
holders.

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

Vote of  
members of  
unsound  
mind.

134. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected 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 whose decision shall be final and conclusive.

Objection  
to vote.

135. (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be

Proxies.

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

(b) A proxy shall not be entitled to vote except on a poll.

Custody of  
instruments  
of proxy.

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

### DIRECTORS

Directors

137. The number of Directors shall not be less than three or until otherwise determined by a General Meeting, more than nine.

First  
Directors.

138. The First Directors of the Company are :

(1) MR. VINAYAK B. DESAI

(2) MRS. RADHABEN R. SHROFF

(3) MRS. DHARTI J. SHROFF

Increase in  
number of  
Directors to  
require Govern-  
ment sanction.

139. The Company shall not increase the number of its Directors beyond the maximum limit fixed by these presents without the approval of the Central Government.

Power for  
Directors  
to appoint  
additional  
Directors.

140. The Directors shall have power at any time and from time to time appoint any other person as a Director either to fill a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed. Any director appointed to fill a casual vacancy shall hold office only upto the date upto which the Directors in whose place he is appointed would have held office if it had not been vacated. Any Director appointed as an Additional Director shall hold office

only upto the date of the next Annual General meeting of the Company but shall be eligible for re-election at such meeting.

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

Consent of candidate for Directorship to be filled with the Company and consent to act as director to be filled with the Registrar.

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

142. It shall not be necessary for a Director to hold any share in the Company to qualify for the office of a Director.

Qualification of Director.

143. (a) "The remuneration of a Director for his services for attending a Board Meeting or a Committee constituted by the Board shall be a sum as may be fixed by the Directors in accordance with the limits as may be prescribed by the Central Government from time to time".

(b) In addition to the remuneration payable as above, the Board of Directors may allow and pay to any Director who is not a bonafide resident of the place where a meeting is held and who shall come to such place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for travelling, hotel and other expenses properly incurred by him:

- (i) in attending and returning from meetings of the Board of Directors or any Committee or General Meeting of the Company or
- (ii) in connection with the business of the Company.

Special  
remuneration

144. If any Director be called upon to go or reside out of his usual place of business on the Company's business or otherwise perform extra services or special exertions or efforts, the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board subject to the provisions of the Act and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Increase in  
remuneration  
of a Director  
to require  
Government  
consent.

145. Any provisions or any amendment of any provision relating to the remuneration of any Director which purports to increase or has the effect of increasing, whether directly or indirectly, the amount thereof, shall not except as otherwise provided in Section 310 of the Act, have any effect unless approved by the Central Government and the amendment shall become void if and as far as it is disapproved by the Central Government.

Directors may  
act notwith-  
standing  
vacancy.

146. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles for a meeting of the Board, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or of summoning a General Meeting of the Company but for no other purpose.

Disqualifi-  
cation of  
Directors.

147. A person shall not be capable of being appointed Director of the Company if :-

- (a) he has been found to be of unsound mind by a Court of Competent Jurisdiction and the finding is in force.
- (b) he is an undischarged insolvent;
- (c) he has applied to be adjudicated insolvent or his application is pending;
- (d) he has been convicted by a court in India of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;

- (e) he has not paid any call in respect of the Company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call; or
- (f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force unless the leave of the court has been obtained for his appointment in pursuance of that Section.

148. (1) The Office of a Director shall become vacant if :

Office of Director to be vacated.

- (a) he is found to be of unsound mind by a court of competent jurisdiction, or
- (b) he applied to be adjudged insolvent or;
- (c) he is adjudged an insolvent; or
- (d) he is convicted by a Court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
- (e) 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, or
- (f) he absents himself from these 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; or
- (g) 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 or which he is a Director, accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or

- (h) he acts in contravention of Section 299 of the Act; or
- (j) he removed by an ordinary resolution of the Company before the expiry of his period of office, in pursuance of Section 284 of the Act; or
- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceased to hold such office or other employment in the Company.

(2) Notwithstanding anything contained in clause (e), (d) and (i) of sub-clause (1) hereof the disqualification referred to in those clauses shall not take effect :-

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

Disclosure of  
Interest of  
Directors.

149. (1) Every Director of the Company who is in any way whether directly or indirectly, concerned interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered

into, by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors.

- (2) (a) In the case of a proposed contract or arrangement the disclosure required to be made by a Director under sub-clause (1) shall be made at a meeting of the Board at which the question of entering into contract or arrangement is first taken into consideration of if the Director was not at the date of that meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

(b) In the case of any other contract or arrangement the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- (3) (a) For the purpose of sub-clause (1) and (2) hereof a general notice given to the Board by a Director to the effect that he is a Director or a member of specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made.

(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 expire.

(c) No such general notice and no renewal thereof shall be of effect unless either it is given at 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 after it is given.

- (d) Nothing in this article shall be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contracts or arrangements with the company or shall apply to any contract or arrangement entered into or to be entered into between two Companies where one of the Directors of the one company or two or more of them together holds, or hold not more than two per cent of the paid up share capital in the other Company.

Interested  
Director not  
to participate  
or vote in  
Board pro-  
ceedings.

150. (1) No Directors of the Company, shall, as a Director take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way whether directly or indirectly, concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, his vote shall be void.

(2) sub-clause (1) shall not apply to :

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

(b) Any contract or arrangement entered into or to be entered into with a public company or private company which is a subsidiary of a public Company, in which the interest of the Directors aforesaid consists solely :-

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

(ii) in his being a member of such company holding not more than two per cent of its paid-up share capital.

(c) a public company or a private company which is a subsidiary of a public company in



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

151. (1) Except with the consent of the Board of Directors, a Director or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company :-

Board's sanction to be required for certain contracts in which particular Directors are interested.

- (a) for the sale, purchase or supply of any goods, materials or service; or
- (b) for underwriting the subscription of any shares in or debentures of the Company. Provided that if the paid-up Share Capital of the Company shall at any time be not less than Rupees One Crore no such contract shall entered into except with the previous approval of the Central Government.

(2) Nothing contained in Clause (a) of sub-clause (1) hereof shall affect :-

- (a) the purchase of goods and materials from the Company or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing marked prices; or
- (b) any contract or contracts between the Company on one side and any such director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the company or the director, relative, firm, partner or private company, as the case may be, regularly trades or does business.

Provided that such contract or contracts do not relate to goods and materials the value of which or services the cost of which exceeds Rs.5,000/- in the contract or contracts.

(3) Notwithstanding anything contained in sub-clauses (1) and (2) hereof, a director, relative

firm, partner or private company as aforesaid may in circumstances of urgent necessity, enter without obtaining the consent of the Board into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds Rs.5,000/- in the aggregate in any year comprised in the period of the contract but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under this article shall be accorded by a resolution passed at a meeting of the Board and not otherwise and the consent of the Board required under sub-clause (1) hereof shall not be deemed to have been given within the meaning of that sub-clause unless the consent is accorded before the contract is entered into or within 3 months of the date on which it was entered into.

(5) If consent is not accorded to any contract under this article anything done in pursuance of the contract shall be avoidable at the option of the Board.

(6) Nothing in this article shall apply to any case where the consent has been accorded to the contract before the commencement of the Companies (Amendment) Act, 1960.

Duty of  
director  
to make  
disclosure.

152. Every Director including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act, Managing Director, Whole time Director, Manager or Secretary of the Company who is appointed to, or relinquishes, the office of Director, Managing Director, Wholetime Director, Manager or Secretary of any other body corporate shall within twenty days of his appointment to, or as the case may be relinquishment of, such office, disclose to the Company the particulars relating to the office in other body corporate which are required to be specified under the provisions of Section 303 of the Act.

Duty of  
Directors and  
persons deemed  
to be Directors  
to make dis-  
closure of  
shareholdings.

153. Every Director of the Company and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the company to comply with the provisions of that section. Any such notice shall be given in writing and if it is not given at a meeting of the Board, the

person giving the notice shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given.

154. Save as otherwise provided in sub-section (2) of Section 295 of the act the Company shall not without obtaining the previous approval of the Central Government in that behalf directly or indirectly make any loan to or give any guarantee or provide any security in connection with a loan made by any other person to, or to any other person by :-

Loan to  
Directors.

- (a) any Director of the Company or of the Company which is its holding Company or any partner or relative of any such Director;
- (b) any firm in which such Director or relative is a partner;
- (c) any private company of which any such Director is director or member;
- (d) any body corporate at a General Meeting of which not less than twenty-five per cent of the total voting power may be exercised or controlled by any such Director or by two or more such Directors together; or
- (e) any body incorporated the Board of Directors, Managing Director, or Manager whereof is accustomed to act in accordance with the directions or instructions of the Board or of any Director or Directors of the Company.

A Director shall for the purposes of this Article include any person deemed to be a Director under the provisions of the Act.

155. (1) Except with the consent of the Company accorded by a Special Resolution :-

Directors not  
to hold office  
of profit.

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

- (b) no partner, or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a Director or member, and no Director or Manager of such a private Company shall hold any office or place of profit carrying a total monthly remuneration of five hundred rupees or more.

Except that of Managing Director, Manager, or trustees for the holders of debentures of the Company :-

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

Provided that it shall be sufficient if the special resolution according the consent of the Company is passed at the General Meeting of the Company held for the first time after the holding of such office or place of profit, provided further that where a relative of a Director or a firm in which such relative is a partner is appointed to the office or place of profit under the Company or a subsidiary thereof without the knowledge of the Director, the consent of the company may be obtained either in the general meeting aforesaid or within three months from the date of the appointment whichever is late.

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

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

(3) Notwithstanding anything contained Clause I hereof :-

- (a) No partner or relative of a Director or Manager.
- (b) No firm in which such director or manager or relative or either, is a partner;

shall hold any office or place of profit in the Company which carries a total monthly remuneration of not less than Three Thousand Rupees, except with the prior consent of the Company by a Special Resolution and the approval of the Central Government.

(4) If any office or place of profit is held in contravention of the provisions of sub-clause (1) hereof, the Director, partner, relative, firm, private company, or the Manager, Concerned, shall be deemed to have vacated his or its office as such on and from the date next following the date of the general meeting of the Company referred to in the first proviso to sub-clause (1) hereof or, as the case may be, the date of expiry of the period of three months referred to in the second proviso to sub-clause (1) hereof or, as the case may be, the date of expiry of the period of three months referred to in the second proviso to that sub-clause and shall also be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place or profit.

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

(6) Any office or place shall be deemed to be an office or place or profit under the Company within the meaning of this article.

- (a) In case the office or place is held by a Director, if the Director holding it obtains from the Company anything by

way of remuneration over and above the remuneration to which he is entitled as such Director, whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

- (b) In case the office or place is held by an individual other body corporate, if the individual, firm, private company or body corporate holding it obtains from the Company anything by way of remuneration whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises or place of residence.

Retirement of  
Directors by  
rotation.

156. (1) (a) At every Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office;

(2) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of any subject to any agreement among themselves, be determined by lot.

(3) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

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

- (1) at that 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 so re-appointed;
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act; or
- (v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.

The expression "Retiring Director" in this article shall mean a Director retiring by rotation.

157. (1) No motion at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

(2) A resolution moved in contravention of sub-clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed, not provision for the automatic re-appointment or Directors retiring by rotation in default of another appointment as herein before provided shall apply.

(3) For the purposes of the article, a motion for approving a person's appointment, or for appointment, shall be treated as a motion for his appointment.

158. (1) A person who is not a Retiring Director shall, subject to the provisions of the Act, be eligible for appointment to the office of 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

Right of person  
other than  
Retiring Direc-  
tors to stand  
for director-  
ship.

his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be. "Along with a deposit of five hundred rupees 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".

(2) The Company shall inform its members of the candidature of a person for the office of a Director or the intention of a member to propose such person as a candidate for that office, by serving individual notices on the members not less than 7 days before the meeting.

Provided that it shall not be necessary for the Company to serve individual notices upon the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in atleast two newspapers circulating in the place where the Registered Office of the Company is located, of which one is published in the English language and the other in the regional language of that place.

The expression "Retiring Director" in this article means a Director retiring by rotation.

**Removal of  
Directors.**

159. (1) The Company may, by ordinary resolution remove a Director before the expiry of his period of office.

(2) Special notice shall be required of any resolution to remove a Director under this Clause or to appoint somebody instead of a Director so removed at the meeting at which he is so removed.

(3) On receipt of a notice of a resolution to remove a Director under this clause, the Company shall forthwith send a copy thereof to the Director concerned and the Director whether not he is a member of the Company shall be entitled to be heard on the resolution at the meeting.

(4) Where notice is given of a resolution to remove a Director under this clause and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and request their modification to members of the Company, the Company shall unless the representations are received by it too late for it to do so:-



- (a) in any notice of the resolution given to members of the Company, state the fact of the representation having been made and;
- (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent (whether before or after receipt of the representations by the Company).

and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting.

Provided that copies of the representations need not be set out and the representations need not be read out at the meeting if, on application either of the Company or of any other person who claims to be aggrieved, the court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

(5) A vacancy created by the removal of a Director under this clause, may, if he had been appointed by the Company in General Meeting or by the Board under article 142 hereof, be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have office if he had not been removed as aforesaid.

(6) If the vacancy is not filled up under sub-clause (5) hereof, it may be filled as a casual vacancy in accordance with the provisions, so far as they may be applicable, of article 142 hereof and all the provisions of that article shall apply accordingly. Provided that the Director who is removed from office shall not be reappointed as a Director by the Board of Directors.

(7) Nothing in this Article shall be taken :-

- (a) As depriving persons removed thereunder of any compensation or damage payable to him in respect of the termination

of his appointment as Director or of any appointment terminating with that as a Director or;

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

Managing  
Director

160. (1) Subject to the provisions of Section 269 of the Act the Directors may from time to time subject to the provisions of the Act and to the approval of the Central Government, appoint one or more of their body to be the Managing Director or Managing Directors or wholetime Director of the Company for a term not exceeding five years at time and may from time to time subject to the provisions of any contract between the Company and him or them remove or dismiss him or them from office and appoint another or others in his or their place or places.

(2) The Managing Director or Managing Directors or wholetime Director or wholetime Directors, while he or they continues or continue to hold that office, shall not be subject to retirement by rotation and shall not be taken into account in determining the retirement by rotation of Directors or the number of Directors to retire, but he or they shall be subject to the same provisions as to resignations or removal of the other Directors of the Company and he or they shall in so fact and immediately cease to be a Managing Director or Managing Directors or whole time Director and whole time Directors if he or they ceases or cease to hold the office of a Director or Directors for any cause.

(3) Subject to the provisions of the Act, the remuneration of a Managing Director or Managing Directors or whole time Directors shall subject to the provisions of any contract between the Company and him or them, be from time to time fixed by the Directors and subject to the provisions of the Act, may be by way of fixed salary or commission and/or in any other mode and may be in addition to the remuneration for attendance at the Board Meetings and any other remuneration which may be provided under any other Article.

(4) The Directors may from time to time subject to the provisions of the Act entrust to or confer upon the Managing Director or Managing Directors or whole time Director or wholetime Directors for the time being such of the powers exercisable by the Directors under these presents or by law, as they may think fit,

and may confer such powers for such time to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient, and they may confer such powers either collaterally with or to the exclusion of 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 of such power.

161. If in any financial year the Company has no profits are inadequate, the Company may subject to the approval of the Central Government, unless such approval has been obtained under any other provisions of the Act, pay its Directors including the Managing or whole time Director, or its Manager if any, or if there are two or more of them holding office in the Company to all of them together, by way of minimum remuneration such sum (exclusive of any fees payable to Directors under Section 309(2) of the Act) as subject to the provisions of Section 198 of the Act it considers reasonable.

Minimum  
Managerial  
remuneration  
in absence  
or inadequacy  
of profits.

162. The Company shall not pay to any officer or employee thereof, whether in his capacity as such or otherwise, remuneration free of any kind of income tax including super tax or otherwise calculated by a reference to, or varying with, any tax payable by him or the rate or standard rate of any such tax or the amount thereof.

No tax free  
payment.

163. The Company shall not appoint or employ any person as Managing Director if he is either the Managing Director or the Manager of any other Company except as hereinafter provided. The company may appoint or employ a person as its Managing Director, if he is the Managing Director or Manager of one and of not more than one other Company (including a private company which is not subsidiary of a public company) provided that such appointment or employment is made or approved by a resolution passed at a meeting of the Board of Directors with the consent of all the Directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the Directors then in India.

No person to  
be appointed  
Managing  
Director of  
more than  
two companies.

164. Subject to the provisions of the Act the appointment of a person for the first time as Managing or wholetime Director shall not have any effect unless approved by the Central Government.

Appointment or  
reappointment of  
Managing or  
Wholetime  
Director to  
require Govt.  
approval.

165. Any provisions relating to the remuneration of a Managing or Wholetime Director or any amendment

Provision for  
increasing

remuneration  
of managing  
or wholetime  
Director to  
require Govt.  
saction.

thereof which purports to increase or has the effect of increasing whether directly or indirectly the amount thereof whether that provision be contained in the Company's memorandum or these presents or in any agreement entered into by the Company or in any resolution passed by the Company in General Meeting or by its Board of Directors, shall not have any effect unless approved by the Central Government and the amendment shall become void, if and in so far, as it is disapproved by the Government.

Certain persons  
not to be  
appointed  
Managing or  
Wholetime  
Director.

166. The Company shall not appoint or employ or continue the appointment or employment of any person as its Managing or wholetime Director who (a) is an undischarged insolvent or has at any time been adjudged an insolvent, (b) suspends or has at any time suspended, payment of his creditors, or make or has at any time made, a composition with them or (c) has at any time been convicted by a Court of an offence involving moral turpitude.

Terms of a  
Managing  
Director.

167. No Managing Director shall be appointed for a term exceeding five years at a time but he may be re-appointed, re-employed or his terms of office may be extended by further period not exceeding five years on each occasion provided, that such reappointment, re-employment, or extension shall not be sanctioned earlier than two years from the date from which it is to come into force.

Disclosure to  
members of  
Director's  
interest in  
contract  
appointing  
Managing  
Director.

168. (1) Where the Company :-

(a) enters into a contract for the appointment of a Manager of the Company in which contract any Director of the Company is in any way whether directly or indirectly, concerned or interested; or

(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid.

the Company shall, within, twentyone days from the date of entering into the contract or of the varying of the contract, as the case may be, send to every member of the Company an abstract of the terms of the contract or variation together with a memorandum clearly specifying the nature of the concern or interest of the Director in such contract of variation.

(2) Whether the Company enters into a contract for the appointment of a Managing Director of the Company or varies any such contract which is already in existence, the Company shall send an abstract of the terms of the contract or variation to every member of the Company within the time specified in sub-clause (1) hereof and if any other Director of the Company is concerned or interested in the contract or variation, a memorandum clearly specifying the nature of the concern or interest of such other director in the contract or variation shall also be sent to every member of the Company with the abstract aforesaid.

(3) Where a Director becomes concerned or interested as aforesaid in such contract as is referred to in sub-clauses (1) or (2) hereof after it is made, the abstract or the memorandum, if any referred to in the said sub-clauses shall be sent to every member of the Company within twentyone days from the date on which the Directors become so concerned or interested.

(4) All contracts entered into by the Company for the appointment of a Manager, Managing Director and Whole-time Director shall be kept at the Registered Office of the Company and shall be open to inspection of any member of the Company at such office and extracts may be taken there from and copies there of may be required by any such member, to the same extent, in the same manner and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

(5) The provisions of this article shall apply in relation to any resolution of the Board of Directors of the Company, appointing a Manager or Managing or Whole-time Director varying any previous contract or resolution of the Company relating to the appointment of a Manager or a Managing or Whole time director as they apply in relation to any contract for the like purpose.

#### ALTERNATE DIRECTOR

169. The Directors may appoint an Alternate Director to act for a Director (hereinafter in this article called the Original Director) during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An Alternate Director shall not be bound to hold any quali-

Alternate  
Director.

fication shares. An Alternate Director so appointed 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 return to the state in which meetings of the Board are ordinarily held. If the term of the office of the Original Director is determined before he so returns to the State aforesaid any provisions for the automatic re-appointment or a retiring Director in default of another appointment shall apply to the Original and not to the Alternate Director.

#### DEBENTURE DIRECTORS

Debenture  
Directors.

170. Any trust deed for securing debentures or debenture stock may if so arranged provide for the appointment from time to time by the Trustees thereof or by the holders of debentures or some person to be a Director of the company and may empower such Trustees or holders of debentures or debenture stock from time to time remove any Director so appointed.

A Director so appointed under this article, is herein referred to as Debenture Director and the term Debenture Director means a Director for the time being in office under this article. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

#### CORPORATION DIRECTOR

Corporation  
Director.

171. So long as moneys be owing by the Company to any Finance Corporation or Credit Corporation or to any Financing Company or Body and/or so long as any Finance Corporation or Credit Corporation or any Financing Company or Body holds the shares/convertible bond in the Company acquired as a result of underwriting (which Corporation or Body is hereinafter in this article referred to as "the Corporation") the Corporation shall have the right to appoint from time to time, any one or more person(s) as Director(s) of the Company (which Director is hereinafter referred to as "Corporation Director(s) and the Corporation Director(s) shall not be liable to retire by rotation and need not possess any qualification shares to qualify him or them for the office of such Director(s).

The Corporation may at any time and from time to time remove any such Corporation Director(s) appointed by it and may, at the time of such removal and also in the case of death or resignation of the person(s) so appointed, at any time, appoint another or others in his or their place, and also fill in any that vacancy which may occur as a result of any such Director(s) ceasing to hold that office for any reason whatever. Such appointment or removal shall be made in writing signed by the Chairman of the Corporation or any person or Director thereof authorised in this behalf and shall be delivered to the Company at its Registered Office. The Board of Directors of the Company shall have no power to remove the Corporation Director(s).

Every Corporation entitled to appoint a Director under this article may appoint one or more such person(s) as Director(s).

#### PROCEEDINGS OF DIRECTORS

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

Proceedings  
of Directors

(b) A meeting of the Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.

(c) A Director may, and the Managing Director, Whole-time Director, Manager or Secretary on the requisition of a Director, shall, at any time, summon a meeting of the Board.

173. 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.

Notice of  
meetings.

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

Quorum for  
Meeting.

(b) for the purpose of sub-clause (a) :

(i) 'total strength' means the total strength of the Board of Directors of the Company as determined in pursuance of the Act, after deducting therefrom the number of the Directors if any whose places may be vacant at the time, and

(ii) 'Interested Director' means any Director whose presence cannot be reason of section 300 of the Act, count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

Decision of questions.

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

Board may appoint Chairman

176. The Board may elect a Chairman of their meetings and determine the period for which he is to hold office but if not such Chairman is elected or if at any meeting, the Chairman is not present within five minutes after the time appointed for holding the meeting, the Director present, may choose one of their number to be Chairman of the meeting.

Powers of quorum.

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

Power to appoint Committee and delegate.

178. The Directors may, subject to the provisions of the Act and these articles, delegate any of their powers to a Committee or Committees consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform imposed upon it by the Directors. The meeting and proceedings of any such Committee consisting of two or more members, shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under this article.



179. The Directors may from time to time subject to the provisions of the Act fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Board and may pay the same.

Remuneration  
of the  
Committee.

180. All acts 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 one or more of such Directors or of any person acting as aforesaid, or that they or any of them were or was disqualified, or that such appointment had terminated by virtue of any provision contained in the Act or in the Articles, be as valid as if every such Directors or such person had been duly appointed and was qualified to be a Director and as if his appointment had not terminated. Provided that nothing herein contained shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Acts of  
Directors  
of Committee  
valid.

181. No resolution shall be deemed to have been duly passed by the Directors or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or to all the members of the Committee, then in India, (not being less in number than the quorum fixed for a meeting of the Directors 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 as are then in India or by majority of such of them, as are entitled to vote on the resolution.

Passing of  
resolution  
by Circular.

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

General  
Powers of  
the Board.

(2) No regulation made by the Company in General Meeting shall invalidate any prior act of the

Directors which would have been valid if that regulation had not been made.

Certain powers to be exercised by Directors only at meeting.

183. The Board of Directors shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Directors :-

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

Provided that the Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, the Whole-time Director, Manager, Secretary or any other principal officer of the Company or in the case of branch office of the Company, a principal officer of the branch office of the Company, the powers.

(1) To borrow moneys other than on debentures (2) to invest the funds of the Company and (3) to make loans to the extent and subject as hereinafter specified, namely :-

- (i) Every resolution delegating the power to borrow moneys otherwise than on debentures shall specify the total amount outstanding at any one time upto which moneys may be borrowed.
- (ii) Every resolution delegating the power to invest of the funds of the Company shall specify the total amount upto which the funds may be invested, and the nature of the investments.

- (iii) Every resolution delegating the power to make loans shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans any be made, and the maximum amount of loans which may be made for each such purpose in individual cases.

Nothing in this article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers in sub-clauses (a), (b), (c), (d) and (e) above specified.

184. (1) The Board of Directors of the Company shall not except with the consent of the Company in General Meeting :

Restrictions  
on powers  
of Directors.

- (a) sell, lease or otherwise dispose of the whole or substantially the whole undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;
- (b) remit or give time for the payment of any debt due by a Director;
- (c) invest, otherwise than in trust securities the amount of compensation received by the Company in respect of the Compulsory acquisition after the commencement of the Act, of any such undertaking as is referred to in sub-clause (a) hereof or of any premises or properties used for any such undertaking and without which such undertaking cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- (d) contribute after the commencement of the Act to charitable and other funds not directly relating to the business of the Company or the welfare of its employees any amounts the aggregate of which will in any financial year exceed Rs.50,000/- or five per cent of its average net profits as determined in accordance with

the provisions of sections 349 and 350 of the Act during the three financial year immediately preceding, whichever is greater.

(2) Any resolution passed by the Company permitting any transaction referred to in clause (a) of sub-clause (i) hereof may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from such transaction.

(3) Every resolution passed by the Company in General Meeting in exercise of power referred to in clause (d) sub-clause (1) hereof shall specify the total amount upto which moneys may be contributed by the Board of Directors to charitable and other funds in any financial year.

#### BORROWING POWERS

Power to  
borrow.

185. Subject to the provisions of Section 292 and 293 of the Act the Board of Directors may from time to time at their discretion and by means of resolutions passed at their meetings accept subject to deposits from members either in advance of calls or otherwise or borrow or secure the payment of any sum or sums of money for the purpose of the Company provided however that where the moneys to be borrowed, together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) 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, the Directors shall not borrow such moneys without the consent of the company in General Meeting. Every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow moneys shall specify the total amount upto which moneys may be borrowed by the Board of Directors. No debt incurred by the Company in excess of the limit imposed by this clause shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this article has been exceeded.

Conditions on  
which money  
may be borrowed.

186. The Directors may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit.

in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being. The Directors shall exercise such power only by means of resolutions passed at their meetings and not by circular resolutions.

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

Securities may be assignable free from equities.

188. Any debentures, debenture stock, bonds or other securities, may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at General Meetings of the Company appointment of Directors and otherwise. Provided however that no debentures with the right to conversion into or allotment of shares shall be issued except with the consent of the Company in General Meeting.

Debentures.

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

Mortgage of uncalled capital.

#### POWERS OF DIRECTORS

190. Without prejudice to the general powers conferred by article 182 and the other powers conferred by these articles but subject however to the provisions of the Act and the restrictions imposed by article 182 it is hereby expressly declared that the Directors shall have the following powers :-

Powers of directors.

- (1) To have official seal for use abroad.
- (2) To keep a foreign register in accordance with the provisions of the Companies Act, 1956;
- (3) To purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business (of manufacturing veneers, plywoods, flush doors, laminated boards, blackboards and any products from timber, cane, paper, baggasse etc. or any other business) which the company is authorised to carry on in any part of India.
- (4) At their discretion to pay for any property right or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amounts credited as paid-up thereon as may be agreed upon, and any such bonds, debentures, or other securities may be either specifically charged upon or any part of the property of the Company and its uncalled capital or not so charged.
- (5) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such manner as they may think fit.
- (6) To accept from any member so far as may be permissible by law, surrender of his shares or stock or any part thereof, on such terms and conditions as shall be agreed.
- (7) To appoint any person or persons (whether incorporated or not incorporated) 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 purpose 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 trustees.
- (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound or allow

time for payment or satisfaction of any debts due and of claims or demands by or against the Company and so refer any claims or demands by or against the Company to arbitration and observe and perform any awards made thereon provided however that nothing herein contained shall empower the Directors to remit or give time for the repayment of any debt due to a Director without the consent of the Company in General Meeting.

(9) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(10) To make and give receipts, releases and other discharges for moneys or properties payable or transferred to the Company and for the claims and demands of the Company.

(11) To invest and deal with any moneys of the Company not immediately required for purposes thereof upon such security or without security and in such manner as they may think fit and from time to time to vary such investments provided however that nothing herein contained shall empower the Directors without the consent of the Company in General Meeting, to invest otherwise than in trust securities, the amount of compensation acquisition after commencement of the Act, of any such undertaking as is referred to in Clause (1) of Section 293 of the Act, or any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.

(12) To open current, overdraft, cash credit and fixed deposit accounts with any bank, company, firm or individual and to operate thereon.

(13) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur, or be about to incur, any personal liability whether as principal or surety for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

(14) To determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.

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(15) To give officer or other person employed by the Company a commission on the profits of any particular business or transaction and such commission shall be treated as part of the working expenses of the Company.

(16) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or super annuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or service of the Company, or if any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time Directors or Officers of the Company or of any such other Company as aforesaid and the wives, widows, families and dependents of any such persons, and also establish and subsidise and subscribe to any institutions, association, clubs or funds calculated to be for the benefit of or to advance the interests and well being of the company or of any such other Company as aforesaid, and make payment to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children or dependents that may appear to the Directors just or proper, whether such employee or his widow, children or dependents have or have not a legal claim upon the Company;

(18) Not without the consent of the Company in General Meeting to contribute to charitable and other funds not directly relating to the business of the Company of the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed Rs.50,000/- (Rupees Fifty Thousand) or five percent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three Financial years immediately preceding whichever is greater;

(19) Before recommending any dividend, to set aside such portion of the profits of the Company as they may think fit, to form a fund to provide for such pension, gratuities or compensation or to create any provident or benefit fund in such manner as the directors may deem fit;



(20) Before recommending any dividend, to set aside out of the profit of the Company such sums as they may think proper, for depreciation or to a Depreciation Fund, Insurance Fund, Reserve Fund, General Reserve or Sinking Fund, Investment Allowance Reserve, Statutory Development Reserve, Reserve or any Special Fund to meet contingencies, or to repay debentures or debenture stock or for special dividends, or for equalising dividends, or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, as the Directors may, in their absolute discretion think conducive to the interest of the Company with power from time to time transfer moneys standing to the credit of one fund or any part thereof to the credit of any other Fund, and to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time deal with and vary such investments and dispose of and supply and expend all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Directors, in their absolute discretion, think conducive to the interest of the Company and to divide 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 including Depreciation Fund, in the business of the Company or in the purchase or repayment of debentures or debenture-stock and that without being bound to keep the same separate from the other assets. If the assets constituting any of the above funds are employed in the business of the Company the Directors may pay or allow to the credit of such funds interest at such rate as the Directors may think proper but not exceeding 9 percent annum;

(21) To appoint and at their discretion remove or suspend such managers, secretaries, officers, technicians, 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 instances and to such amounts as they think fit. And also without prejudice as aforesaid from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit, and the provisions contained in the two next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;

(22) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or out of India and to appoint any person to be

members of such Local Board and to fix their remuneration and at any time and from time to time to delegate subject to the provisions of Section 292 of the Act of any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than their powers to make calls and to issue debentures and to authorise the members for the time being of any Such Local Board or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions and restrictions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annual and vary any such delegation.

(23) At any time and from time to time, by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment may (if the Directors think fit) be made in favour of the members, or any of the members of any Local Board established as aforesaid, or in favour of any Company or the member, Director, nominee or managers of any Company or firm or otherwise in favour of any fluctuating body of person, whether nominated directly or indirectly by the Directors and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Directors may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

(24) For or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter into all such negotiations and contracts, and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name add on behalf of the Company, as they may consider expedient.

(25) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or co-jointly also to insure all or any part of the goods, produce, machinery and other articles imported or exported by the Company and to insure loss of profit

and standing charges and to insure retrenchment compensation and lay off liabilities and to insure accidental insurance on all the employees of the Company and to sell, assign surrender or discontinue any policies of assurance effected in pursuance of this power;

(26) Subject to hereinabove provided to subscribe or contribute or authorise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes or for any exhibition.

### MANAGEMENT OF BUSINESS

191. The General Management of the business of the Company subject to the provisions of the Act and subject to the superintendence, control and directions of the Directors shall be with the Managing Director and/or Wholetime Director, and/or any other officer appointed by the Board for the purpose.

General  
Management,  
in the hand  
of Managing  
Director and/  
or Wholetime  
Director.

192. Printed or typewritten copy of any resolution of the Board of Directors of the Company or the Agreement relating to the appointment, re-appointment or renewal of the appointment of the Managing Director and/or Wholetime Director varying the terms of any such agreement, executed by the Company and duly certified under the signature of any officer of the Company shall be filed with the Registrar of Companies within thirty days after the making thereof, as required by section 192 of the Act.

Agreement  
relating to  
Managing  
Director and/  
or Wholetime  
Director to be  
filed with the  
Registrar.

193. Subject to the general supervision, control and direction of the Board and subject as hereinabove provided, the Managing Director and/or Wholetime Director shall conduct and manage the business and affairs of the Company and shall have power and authority on behalf of the Company to acquire any properties, rights and privileges and to make all purchases and sales and to enter into all contracts and execute all agreements or other documents and to do all other acts and things usual necessary or desirable in the management of the affairs of the Company or in carrying out its objects, and shall have power to institute, conduct, defend, compromise, refer to arbitration and abandon legal and other proceedings, claims and disputes in which the Company is concerned and shall have power to appoint and employ in or for the purpose of the transaction and management of the affairs and business of the Company or otherwise for the purposes thereof such managers,

Authority of  
Managing  
Director and/  
or Wholetime  
Director.

experts, secretaries, chemists, technicians, engineers, brokers, lawyers, clerks, workmen, servants and other employees as they shall think proper with such powers and duties and upon such terms as to duration of office, remuneration or otherwise as they shall think fit and from time to time to remove and suspend them or any of them and generally to appoint and employ any person or persons in the services or for the purposes of the Company as they shall think fit upon such terms and conditions as they shall think proper.

(2) Where the Company makes any loan to or gives any guarantee, or provides any security, in connection with a loan made by any other person to, or to any other person by, a firm in which a partner is a body corporate under the same management as the Company, the loan shall be deemed to have been made to, or the guarantee or security shall be deemed to have been given or provided in connection with the loan made by such other person to or to such other person, by a body corporate under the same management.

(3) For the purpose of sub-clause (1) and (2) hereof any two bodies corporate shall be deemed to be under the same management :-

(a) If the Managing Director or a Wholetime Director or Manager of the one body is the Managing Director or Wholetime Director or Manager of the other body.

body constitute or at any time within the six months immediately preceding constituted a majority of the directors of the other body.

(c) if not less than one-third of the total voting power with respect to any matter relating to each of the two bodies corporate is exercised or controlled by the same individual or body corporate; or

(d) if the holding company of the one body corporate is under the same management as the other body corporate within the meaning of sub-clauses (a), (b), or (c) abovementioned, or

and standing charges and to insure retrenchment compensation and lay off liabilities and to insure accidental insurance on all the employees of the Company and to sell, assign surrender or discontinue any policies of assurance effected in pursuance of this power;

(26) Subject to hereinabove provided to subscribe or contribute or authorise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes or for any exhibition.

### MANAGEMENT OF BUSINESS

191. The General Management of the business of the Company subject to the provisions of the Act and subject to the superintendence, control and directions of the Directors shall be with the Managing Director and/or Wholetime Director, and/or any other officer appointed by the Board for the purpose.

General  
Management.  
in the hand  
of Managing  
Director and/  
or: Wholetime  
Director.

192. Printed or typewritten copy of any resolution of the Board of Directors of the Company or the Agreement relating to the appointment, re-appointment or renewal of the appointment of the Managing Director and/or Wholetime Director varying the terms of any such agreement, executed by the Company and duly certified under the signature of any officer of the Company shall be filed with the Registrar of Companies within thirty days after the making thereof, as required by section 192 of the Act.

Agreement  
relating to  
Managing  
Director and/  
or Wholetime  
Director to be  
filed with the  
Registrar.

193. Subject to the general supervision, control and direction of the Board and subject as hereinabove provided, the Managing Director and/or Wholetime Director shall conduct and manage the business and affairs of the Company and shall have power and authority on behalf of the Company to acquire any properties, rights and privileges and to make all purchases and sales and to enter into all contracts and execute all agreements or other documents and to do all other acts and things usual necessary or desirable in the management of the affairs of the Company or in carrying out its objects, and shall have power to institute, conduct, defend, compromise, refer to arbitration and abandon legal and other proceedings, claims and disputes in which the Company is concerned and shall have power to appoint and employ in or for the purpose of the transaction and management of the affairs and business of the Company or otherwise for the purposes thereof such managers,

Authority of  
Managing  
Director and/  
or Wholetime  
Director.

- (e) if one or more directors of the one body corporate while holding whether by themselves or together with their relatives, the majority of shares in that body corporate also hold, whether by themselves or together with their relatives, the majority of shares in the other body corporate.

194. The Managing Director and or Wholetime Director shall have power to sign cheques on behalf of the Company and to operate on all banking accounts of the Company and to sign and endorse cheques, interest warrants, dividend warrants and other instruments payable to the Company and to recover and receive interest and dividend on shares and securities belong to the company.

Power to  
sign cheques.

195. Receipts signed by the Managing Director and/or Wholetime Director for any moneys on property received in the usual course of business of the Company or for any moneys, goods or property lent or payable or belonging to the Company shall be effectual discharge on behalf of and against the Company for the moneys, funds or property which in such receipts shall be acknowledged to have been received and the person paying any such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director and/or Wholetime Director shall also have the power to operate on the account or accounts of the Company with any bank or banks and to sign and endorse cheques on behalf of the Company. The Managing Director and/or wholetime Director shall also have power to open current, overdraft, cash credit or fixed deposit accounts with any Bank, Company, firm or individual and to operate thereon.

Receipts and  
Cheques.

196. The Managing Director and/or Wholetime Director shall have power to sub-delegate al or any of the powers, authorities and discretions for the time being vested in them and in particular from time to time to provide by the appointment of any attorney or attorneys of the Company in any specified locality in such manner as they may think fit.

Managing  
Director and/  
or Wholetime  
Director to  
have power to  
sub-delegate.

#### LOANS TO COMPANIES UNDER THE SAME MANAGEMENT

197. (1) Subject to the provisions of Section 370 of the Act, the Company shall not make any loan to or give any guarantee or provide any security, in connection with a loan made by any other person to, or to

Loans to  
Companies  
under the same  
management.

any other person by, any body corporate which is under the same management as the Company, unless the making of such loans, the giving of such guarantee of the provision of such security has been previously authorised by a special resolution of the Company.

(4) Nothing contained in the foregoing shall apply to :-

(a) any loan made by a holding Company of the Company to the Company and;

(b) any guarantee given or security provided by such holding in respect of any loan made to the Company.

### INVESTMENT

Purchase by  
the Company  
of shares  
etc. or other  
Companies.

198. Subject to the provisions of Section 372 of the Act, the Company shall be entitled to subscribe for, or purchase (whether by itself or by any individual or association of individuals in trust for it or for its benefit or on its account) the shares of any other body corporate to the extent and in accordance with the restrictions and conditions and conditions specified in the said section.

### MINUTES

Minutes.

199. (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 and of every committee of the Board to be kept by making within thirty days of the conclusion of every such meetings concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.

(2) Each page of every such books shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :-

(a) in the case of minutes of proceedings of a meeting of the Board of a Committee thereof, by the Chairman of the said meeting or the Chairman of the next succeeding meeting;

- (b) in the case of minutes of proceedings of a general meeting, by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.

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

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

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

(6) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain :-

- (a) the names of the Directors present at the meeting; and
- (b) in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.

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

- (i) is or could reasonably be regarded as defamatory of any person;
- (ii) is irrelevant or immaterial to the proceedings; or
- (iii) is detrimental to the interests of the Company.



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

Minutes to  
be evidence.

200. Minutes of the meetings kept in accordance with the provisions of article 199 shall be evidence of the proceedings recorded therein.

Presumption  
to be drawn  
where minutes  
duly drawn  
and signed.

201. Where minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with provisions of article 199 then until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular, all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

Inspection of  
minute books  
of General  
Meeting.

202. (1) The books containing the minutes of the proceedings of any General Meeting of the Company held shall be kept at the Registered Office of the Company and shall be open to inspection of any member without charge on each working day between the hours of 3 p.m. and 5 p.m.

(2) "Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the company with a copy of any minutes referred to in sub-clause (1) hereof on payment of any sum as may be prescribed by the Central Government from time to time for every one hundred words or fraction part thereof required to be copied".

Publication  
or reports of  
proceedings  
of general  
meeting.

203. No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes matters required by article 199 hereof to be contained in the Minutes of the proceedings of such meeting.

#### SEAL

The Seal,  
its custody  
and use.

204. 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 they shall provide for the safe custody of the seal for the time being and it shall not

used except by the authority of the Directors or a Committee of the Directors and in the presence of at least one of them.

205. Every deed or other instrument to which the seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney of the Company be signed by one Director in whose presence it shall have been affixed and shall be countersigned by the Secretary of the Company or any other person authorised by the Board in that behalf.

Execution  
of Deeds.

### ACCOUNTS

206. (1) The Company shall keep at its Registered Office proper books of account with respect to :

Books to be  
kept by the  
Company.

- (a) all sums of money received or expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (b) all sales and purchases of goods by the Company;
- (c) the assets and liabilities of the Company;
- (d) such particulars relating to utilisation of material or labour or other items of cost as may be prescribed by Section 209 (1) (d) of the Act, as amended.

All or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall, within 7 days of the decision file with the Registrar a notice in writing, giving the full address of that other place.

(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarised returns made upto dates at intervals of not more than three months are sent by the

branch office to the Company as its Registered Office or other the place referred to in Clause (1).

(3) The books of account and other books and papers shall be open to inspection by any Director during business hours.

(4) The books of account relating to a period of not less than eight years immediately preceding the current year together with the vouchers relative to any entry in such books of account shall be preserved in good order.

(5) The books of accounts and other books and papers of every Company shall, subject to the provisions of Section 209A be open for inspection during business hours :

(i) By the Registrar, or

(ii) By such Officer of Government as may be authorised by the Central Government in this behalf without any previous notice to the Company or to any office thereof.

Inspection by  
Members.

207. (1) The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors.

(2) No member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

Annual  
Accounts  
and Balance  
Sheet.

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

(a) a Balance Sheet as at the end of the period specified in sub-clause (2) hereof; and

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

(2) The Profit and Loss Account shall relate to the period beginning with the day immediately after the period for which the account was last submitted and ending with a day which shall not precede the day of the meeting by more than 6 months, or in cases where an extension of time has been granted for holding of the meeting under the second proviso to sub-section (1) of section 166 of the Act, by more than 6 months and the extension so granted.

(3) The period to which the account aforesaid relates is referred to in these presents as a 'financial year' and it may be less or more than a calendar year but it shall not exceed fifteen months provided that it may extend to eighteen months where special permission has been granted in that behalf by the Registrar of Companies.

209. (1) Every Balance Sheet of the Company shall give a true and fair view of the state of affairs of the Company 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 to the Act or as near thereto as circumstances admit or in such other form as may be approved by the General Government either generally 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 the Balance Sheet under the heading 'Notes' at the end of that Part.

Form and  
contents of  
Balance  
Sheet and  
Profit and  
Loss Account.

(2) Every Profit and Loss Account of the Company shall give a true and fair view of the Profit and Loss of Company for the financial year and shall comply with the requirements of Part II of Schedule VI to the Act, so far as they are applicable thereto.

(3) The Balance Sheet and the Profit and Loss Account of the Company shall not be treated as not disclosing a true and fair view of the state of affairs of the Company, merely by reason of the fact that they do not disclose any matters which are not required to be disclosed by virtue of the provisions contained in the said Schedule VI or by virtue of a notification or order issued under Section 211 of the Act.

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

Authentication  
of Balance  
Sheet and  
Profit and  
Loss Account.

(2) The Balance Sheet and Profit and Loss Account shall be approved by the Board of Directors before they are signed on their behalf and before they are submitted to the Auditors for their report thereon.

(3) The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditor's Report, if any, shall be attached thereto.

211. (1) There shall be attached to every Balance Sheet laid before the Company in General Meeting, a Report by its Directors with respect to :-

Directors'  
Report.

- (a) the state of the Company's affairs;
- (b) the amounts, if any, which they propose to carry to any reserves in such Balance Sheet;
- (c) the amount, if any, which they recommended should be paid by way of dividend; and
- (d) material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

(2) The Board's Report shall, so far as is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or any of its subsidiaries, deal with any changes which have occurred during the financial year :

- (a) in the nature of the Company's business;
- (b) in the Company's subsidiaries or in the nature of the business carried on by them; and
- (c) generally in the classes of business in which the Company has an interest.

(3) The Board Report shall, subject to the provisions of sub-section (2A) of Section 217, of the Act also include a statement showing the name of every employee of the Company.

(i) If employed throughout the financial year was in receipts of remuneration for that year which, in the aggregate, was not less than Thirty Six Thousand Rupees; or

(ii) If employed for part of the financial year was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Three Thousand Rupees per month.

Such statement shall also indicate :

(i) Where any such employee is a relative of any director or manager of the Company and if so, the name of such Director;

(ii) Such other particulars as may be prescribed.

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

(5) The Board's Report and any addendum thereto shall be signed by its Chairman if he is authorised in that behalf by the Board and where he is not so authorised, shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of sub-clauses (1) and (2) of Article 210.

212. "A copy of every Balance Sheet (including the profit and loss account, the auditors' report and every other document required by law to be annexed or attached, as the case may be, to the Balance Sheet) which is to be laid before a Company in the general meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features

Right of  
Member to  
copies of  
Balance  
Sheet and  
Auditor's  
Report.

of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit, be sent to every member of the Company and to every trustee for the holders of any debentures issued by the Company, not less than twenty-one days before the date of the meeting, subject to the provisions of Section 219 of the Act".

Three copies  
of Balance  
Sheet etc.  
to be filed  
with Registrar.

213. (1) The Company shall within Thirty days from the date on which the Balance Sheet and Profit and Loss Accounts have been laid before the Company at the Annual General Meeting for any year has not been held, within Thirty days from the latest day on or before which that meeting should have been held in accordance with the provisions of the Act filed with the Registrar three copies of the Balance Sheet and the Profit and Loss Accounts signed by the Managing Director, Manager, or Secretary of the Company, or if there be none of these by a Director of the Company, together with three copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Profit and Loss Accounts.

(2) If any Annual General Meeting of the Company before which the balance sheet is laid as aforesaid does not adopt the Balance Sheet or if the Annual General Meeting of the Company for any year has not been held a statement to that effect and all the reasons therefore shall be annexed to the Balance Sheet and to the copies thereof required to be filled with the Registrar.

#### A U D I T

Appointment  
of Auditor.

214. (1) The Company shall at each Annual General meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and shall, within 7 days of the appointment, give intimation thereof to every Auditor so appointed. Provided that before any appointment or re-appointment of Auditor or Auditors is made by the Company at any Annual General Meeting, the Company from the auditor or Auditors proposed to be so appointed to the effect that the appointment or re-appointment if any, will be in accordance with the limits specified in Sub-section (b) (1B) of Section 226 of the Act.

(2) Every Auditor appointed under Clause (1) hereof shall within 30 days of the receipt from the

Company of the intimation of his appointment, inform the Registrar in writing that he has accepted or refused to accept the appointment.

(3) The Company or the Board of Directors shall not appoint or re-appoint any person or firm as its auditors, if such person or firm is at the date of such appointment or re-appointment holding appointment as auditors of a specified number of Companies or more than specified number of Companies AND 'Specified Number' for the purpose of this Article shall mean :

(a) in the case of a person or firm holding appointment as auditor of a number of Companies each of which has a paid-up Share Capital of less than Rupees Twenty-five Lacs, twenty such Companies.

(b) In any other case, twenty companies out of which not more than ten shall be Companies each of which has a paid-up share capital of Rs. Twentyfive lacs or more.

(3) At any Annual General Meeting, a retiring Auditor by whatsoever authority appointed, shall be re-appointed unless (a) he is not qualified for re-appointment or (b) he has given the Company notice in writing of his unwillingness to be a re-appoint or (C) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be reappointed or (d) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor and by reason of death, incapacity or disqualification of that person or of all those persons, as the case may be, the resolution cannot be proceeded with.

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

(5) The Company shall within seven days of the Central Government's power aforesaid exercisable, give notice of that fact to the Government.

215. The Board may fill any casual vacancy in the Office of an Auditor but while such vacancy continues, the remaining Auditor or Auditors, if any, may act.

Filling up  
Casual  
Vacancy.



Provided that where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting. An Auditor appointed in a casual vacancy shall hold office until the conclusion of the next Annual General Meeting.

Removal of  
Auditors.

216. Any Auditor appointed under the foregoing provisions may be removed from office before the expiry of the term only by the Company in General Meeting after obtaining the previous approval of the Central Government.

Remuneration  
of Auditors.

217. The remuneration of the Auditors of the Company in the case of an Auditor appointed by the Board or by the Central Government may be fixed by the Board or the Central Government as the case may be. Subjects as aforesaid, shall be fixed by the Company in General Meeting, or in such manner as the Company in General Meeting may determine. Any sums paid by the Company in respect of the Auditor's expenses shall be deemed to be included in the expression of 'remuneration'.

Special  
Resolution for  
Auditors in  
Certain Cases.

217. (A) Subject to the provisions of Section 224 A of the Act. If at any time 25% of the subscribed share capital of the Company shall be held, whether singly or in any combination by :-

- (a) A public Financial Institution or a Government Company or Central Government or any State Government; or
- (b) By any Financial or other Institutions established by any provincial or State Act in which a State Government holds not less than 51% of the Subscribed Share Capital or
- (c) A nationalised Bank or Insurance Company carrying on General Insurance business;

the appointment or re-appointment at each Annual General Meeting of an Auditor or Auditors shall be made by a Special Resolution.

Provisions as  
to resolutions  
for appointing  
or removing  
Auditors.

218. (1) Special notice shall be required for a resolution at a Annual General Meeting appointing as Auditor a person other than retiring or providing expressly that a retiring auditor shall not be reappointed.

(2) On receipt of notice of such a resolution, the Company shall forthwith send a copy thereof to the retiring Auditor.

(3) Where notice is given of such a resolution and the retiring Auditor makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representations are received by it too late for it to, do so:

- (a) in any notice of the resolution given to members of the Company, state the fact of the representations having been made; and
- (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent, whether before or after the receipt of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Auditor may (without prejudice to his right to be heard orally) required that the representations shall be read out at a meeting Provided that copies of the representations need not be sent out and the presentations need not be send out at the meeting, if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

219. The provisions of the proceeding Article 218 for sending a copy of the resolution to the retiring Auditor and with regard to representations of the retiring Auditor shall apply to a resolution for removal of any Auditor or, Audiotrs under Section 224 (7) of the Act as they apply in relation to a resolution that a retiring Auditor shall not be reappointed.

Resolution for  
removal of  
Auditors.

220. (1) A person shall not be qualified for appointment as Auditor of the Company unless he is Chartered Accountant within the meaning of the Chartered Accountant Act, 1949 (XXXVIII of 1949).

Qualification  
of Auditors.

(2) A firm whereof all the partners practising in India are qualified for appointment as aforesaid may be appointed by its firm's name to be Auditors of the Company in which case any partner so practising may act in the name of the firm.

Who cannot  
be appointed  
Auditors.

221. None of the following persons shall be qualified for appointment as Auditor of the Company :-

- (a) a body corporate;
- (b) an officer or employee of the Company
- (c) a person who is a partner or who is in the employment of the officer or employee of the Company;
- (d) a person who is indebted to the Company for an amount exceeding Rs.1,000 or who has given any guarantee or provided any security in connection with the indebtedness of any third person to the Company for an amount exceeding Rs.1,000/-.
- (e) A person shall also not be qualified for appointment as Auditor of the Company if he is by virtue of the foregoing provisions disqualified for appointment as Auditor of any other body corporate which is the Company's subsidiary or holding Company's subsidiary or holding company or a subsidiary of that Company's holding Company or would be so disqualified if the body corporate were a company.

Disqualifi-  
cation after  
appointment.

222. If an Auditor becomes subject, after his appointment to any of the disqualifications specified above, he shall be deemed to have vacated his office as such.

Powers and  
duties of  
Auditors.

223. Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company whether kept at the head office of the Company or elsewhere and shall be entitled to require from the officers of the Company such information and explanations as he may think necessary for the performance of his duties as Auditor.

224. (1) The Auditor shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by the Act to be part of or annexed to the Balance Sheet and Profit and Loss Account which are laid before the Company in General Meeting during his tenure of office.

Auditors'  
Report.

(2) The report shall state whether in his opinion and to the best of his information and according to the explanations given to him the said accounts give the information required by the Act in the manner so required and give a true and fair view :-

(a) in the case of the Balance Sheet of the state of the Company's affairs as the at the end of its financial year;

(b) in the case of the Profit & Loss Account, of the profit or loss for its financial year.

(3) The Auditors report shall also state (a) whether he has obtained all the information and explanation which to the best of his knowledge and belief were necessary for the purpose of his audit, (b) whether in his opinion, proper books of account, as required by law have been kept by the Company so far as appear from his examination of these books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him (c) whether the report on the accounts of any branch office auditors under section 228 of the Act by a person other than him has been forwarded to him as required by Section 228 (3) (c) of the Act and how he has dealt with the same in preparing his report, and (d) whether the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with books of account and returns.

(4) Where any of the matters aforesaid is answered in the negative, or with a qualification, the Auditors report shall state the reasons for the answer.

(5) The Accounts of the Company shall not be deemed as not having been, and the Auditors Report shall not state, that these accounts have not been, properly drawn up on the ground merely that the Company has not disclosed certain matters if :

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

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

(6) The Auditors report including the auditors separate special or supplementary report, if any, shall be attached to every Balance Sheet placed before every Annual General Meeting.

(7) There should be annexed to every annual return to be filed by the Company with the Registrar under Section 159 of the Act a written copy certified both by a Director and by the Managing Director or Wholetime Director or Manager or Secretary of the Company, to be a true copy of the report of the Auditor on each such Balance Sheet.

Signature  
of Auditor's  
Report.

225. Only the person appointed as Auditor of the Company or where a firm is so appointed, only a partner in the firm practising in India, may sign the Auditor's Report and sign or authenticate any other document of the Company required by law to be signed or authenticated by the Auditor.

Inspection of  
Auditor's  
Report.

226. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Right of  
Auditor to  
receive noti-  
ces of and  
attend General  
Meetings.

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

## DIVIDENDS

Dividends.

228. (a) Subject to the provisions of the Act and these presents and subject to the right of persons entitled to shares with Special rights as to dividend,

the profits of the Company which it shall from time to time be determined to distribute in dividends, shall be divisible amongst the members in proportion to the capital paid up or credited as paid up on the shares held by them respectively.

(b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this clauses as paid on the share.

(c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, 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.

229. The Company in 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.

Declaration  
of dividends.

230. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend.

Restrictions  
on amount  
of dividend.

231. No dividend shall be payable except out of the profits of the Company and no dividend shall carry interest as against the Company.

Dividend out  
of profits only  
and not to  
carry interest.

232. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Declaration of  
Directors as  
to net profit  
conclusive.

233. The Directors may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.

Interim  
Dividend.

234. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Debts may be  
deducted.

235. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each member shall not

Dividend  
and call  
together.

exceed the dividend payable to him and so that the call may be made payable at the same time as the dividend and the dividend may, if so arranged between the company and the member, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an Ordinary General Meeting, which declares a dividend.

Effect of  
transfer.

236. A transfer of share shall not pass the right to any dividend declared therefore before the registration of the transfer.

Retention  
in certain  
cases.

237. The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Clause Article No.47 entitled to become a member or which any person under that article is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

Payment  
by post.

238. No dividend shall be payable except in cash. A dividend payable in cash may be paid by cheque or warrant sent through the post directed to the registered address of the member entitled to the payment of the dividend or in the case of joint holders, to the registered address of the one of the joint holders which is the first named on the Register of Members or to such person and to such address as the member or the joint holders may in writing direct; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be responsible or liable for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

Notice of  
dividend.

239. Notice of the declaration of any dividend whether interim or otherwise shall be given to the holder of registered shares in the manner hereinafter provided.

Dividend to  
be paid  
within forty  
two days.

240. The Company shall pay the dividend or post the cheque or warrant in respect thereof to the shareholders entitled to the payment thereof within fortytwo days from the date of the declaration of dividend unless:

- (a) where the dividend could not be paid by reason of the operation of any law;

- (b) where member has given directions to the Company regarding the payment of the dividend and these directions cannot be complied with;
- (c) where there is a dispute regarding the right to receive the dividend;
- (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from the member;
- (e) where for any reason, the failure to pay the dividend or to post the warrant within the aforesaid period was not due to any default on the part of the Company.

241 No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and as regards dividends unpaid or unclaimed the Company shall comply with the provisions of Section 205A of the Act.

Unclaimed  
dividends.

#### CAPITALISATION

242. (1) Any General Meeting may upon the recommendation of the Directors, resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any of the Company's Reserve Accounts or to the credit of the Profit & Loss Account or any capital Redemption Reserve Account or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised funds shall not be paid in cash but shall be applied subject to the provisions contained in clause (2) hereof on behalf of such member either in or towards :

Power to  
capitalise.

- (a) paying up any amounts for the time being remaining unpaid on any share held by such members respectively; or



- (b) paying up in full the unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to the amongst such members in the proportions aforesaid; or
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the capitalised sum.

(2) (a) Any moneys, investments or other assets representing premiums received on the issue of shares and standing to the credit of Share Premium account;

(b) if the Company shall have redeemed any Redeemable Preference Shares, all or any part of any Capital Redemption Fund arising from the redemption of such shares; may by resolution of the Company be applied only in payment up in full or in full part any new share or any shares then remaining unissued to be issued to such member of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.

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

(4) Whenever such a resolution under this article shall have been passed, the Board shall :

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures, if any, and
- (b) generally do all acts and things required to give effect thereto.

(5) The Board shall have full power :-

- (a) To make such provision by the issue of fractional certificate or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions and that fraction of less than Re.1/- may be disregarded and also;
- (b) To authorise any person to enter on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment of the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares and may vest any such cash or specific assets, in trustees upon the trust for the person entitled to the dividend or capitalised fund as may seem expedient to the Board.

(6) Any agreement made under such authority shall be effective and bind on all such members.

#### NOTICES

243. (A) A notice shall be deemed to include any summons, notice, requisition, order, other legal process and registers, whether issued, sent or kept in pursuance of the Act, or any other Act or otherwise.

Notice.

244. (1) A notice may be served by the Company on any member thereof either personally or by sending it by post to him at his registered address, or if he has not registered address in India, to the address, if any, within India supplied by him to Company for the giving of notices to him.

Service of documents on members by company.

(2) Where notice is sent by post :-

- (a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be deemed to be effected unless it is sent in the manner mentioned by the member; and
- (b) such service shall be deemed to have been effected :-
  - (i) in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted; and
  - (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (3) A notice advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
- (4) A notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.
- (5) A notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the like description at the address if any in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied by serving the notice in any manner in which it might have been served if the death or insolvency had not occurred. Provided that where the notice of meeting is given by advertising the same in a news-

paper circulating in the neighbourhood of the Registered Office of the Company under clause (3) hereof the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by the Section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

(6) The signature to any document or notice to be given by the company, may be written, printed or lithographed.

245. A document may be served on the Company or an officer thereof by post under sending it to the Company or Officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it as it registered office.

Service of  
document on  
the company.

246. A document may be served on the Registrar of Companies by sending it to him at his office by post under a Certificate of posting or by registered or by registered post or by delivering it to or leaving it for him at his office.

Service of  
documents on  
Registrar.

247. Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Director the wholtime Director, the Manager, the Secretary or other authorised office of the Company and need not be under the Common Seal of the Company.

Authentication  
of documents  
and proceedings.

## REGISTERS

248. The Company shall keep and maintain the following Registers :

Registers.

(1) Register of Investments made by the Company but not held in its own name, as required by Section 49 (7) of the Act and shall keep it open for inspection of any member or debentureholder of the Company without charge;

(2) Register of Charge as required by section 143 of the Act and shall keep it open for inspection of any creditor or member of the Company without fee and to the inspection of any other person on payment of a fee of Re.1/- for each inspection;

(3) Register and Index of Members under Section 150 and 151 of the Act and shall keep the same open for inspection of any member or debentureholder without fee and of any other person on payment of a fee of Re.1/- for each inspection;

(4) Register and Index of Debenture-holders under Section 152 of the Act and shall keep it open for inspection of any member or debenture-holder without fee and of any other person on payment of a fee of Re.1/- for each inspection;

(5) Foreign Register if thought fit as required by Section 157 of the Act and it shall be open to inspection and may be closed and extracts may be taken therefrom and copies thereof may be required in the same manner, mutatis mutandis, as is applicable to the Principal Register;

(6) Register of Contracts in which Directors are interested as required by Section 301 of the Act and shall keep it open for inspection of any member of the Company without charge;

(7) Register of Directors, Managing Directors, Wholetime Directors, Manager and Secretary, as required by Section 303 of the Act and shall kept it open for inspection of any member of the Company without charge and of any other person in payment of a fee of Re.1/- for each inspection;

(8) Register as to the holdings by Directors of Shares and debentures in the Company, as required by Section 307 of the Act and shall keep it open for inspection of any member or debenture-holder of the Company on any working day during the period beginning 14 days before the date of the Company's Annual General Meeting and ending 3 days after the date of its conclusion;

(9) Register of Loans made by the Company to other Companies under the same management as required by Section 370(IC) of the Act, and

(10) Register of Investments made by the Company in Shares or debentures of bodies corporate as required by Section 372 (5) of the Act.

249. The Registers mentioned in items (9) and (10) of article 248 shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of Register of members of the Company as provided for in item (3) of article 248.

Inspection  
of Registers.

250. Copies of entries in the above Registers shall be furnished to the persons entitled to the same on payment of 37 paise for every hundred words or fractional part thereof required to be copied. The Company shall give inspection of the above registers to the persons entitled to the same on any working day between the hours of 3 P.M. and 5 P.M.

Copies of  
entries in the  
Registers.

#### WINDING UP

251. If the Company shall be wound up the liquidator may with the Sanction of a special resolution of the Company and any other sanction required by the Act divide amongst the members in specie or in kind the whole or any part of the assets of the Company whether they shall consist of the property of the same kind or not.

Distribution  
in specie on  
winding up.

252. For the purpose aforesaid the liquidator may set such value as he deems fair upon every property to be divided as aforesaid and may determine how much divisions can be carried out as between the members or different classes of members.

Value.

253. The Liquidator may with the like sanction vest the whole or any part of such assets in Trustees upon such trust for the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the Liquidator with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Vesting in  
Trustees.

#### INDEMNITY

254. Subject to the provision of the Companies Act, every Director, Manager, Managing Director, Wholetime

Indemnity

Director or other officer of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Manager, Managing Director, Whole-time Director, Officer or Auditor in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

Individual  
responsibility  
of Directors.

255. Subject to the provisions of the Companies Act, no Director, 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 or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquire by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortious act of any person firm or company to or with whom may moneys, securities, or affects shall be entrusted or or deposited on for any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

#### SECRECY CLAUSE

Secrecy.

256. Subject to the provisions of the Act, no member shall be entitled to require discovery of any information respecting any details of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, it may not be expedient in the interests of the members of the Company to communicate to the public.

Ex-officio  
Directors.

257. (a) The term Ex-Office Directors wherever occurring in the presents shall mean and include the Managing Directors and the Ex-Officio Directors declared under this Article, Promoter Directors and any Debenture Directors.

(b) Subject to the provisions of Sections 255 & 256 of the Companies Act, 1956, so long as Desai Investments Private Limited and its Associates hold or continue to hold not less than 10% (ten per cent) of the paid-up Equity Capital of the Company from time to time, Desai Investments Private Limited shall have the right to nominate upto a maximum of 4 (four) persons as Director or Directors on the Board of the Company and to remove such person or persons from the Board and to nominate other or others in their places and the Company and Board of Directors of the Company shall be bound by such nominations. Such nominee Director or Directors shall not be liable to retire by rotation. In this Article and elsewhere hereafter Desai Investments Private Limited and its Associates means and include companies in which Desai Investments Private Limited holds not less than 10% (ten per cent) of the paid-up equity share capital of the said Company or Companies.

(c) Not less than one-third of the total number of the Directors of the Company for the time being holding office shall be Directors whose period of office is liable to be determined by retirement by rotation and who shall be appointed by the Company in General Meeting.

(d) At the First Annual General Meeting of the Company the whole of the board of Directors except Ex-Officio Directors shall retire from office and at the Annual General Meeting in every subsequent year, one-third of such of the Directors as are liable to retire by rotation for the time being or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office.

(e) The Company in General Meeting may when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period or until he happening of such event or contingency as the Board may specify and thereupon such Director shall not be liable for retirement by rotation but shall hold office for the period or until the happening of any event or contingency set out in the said resolution. Such Director shall hereinafter be referred to be Ex-Officio Director.

Ex-Officio  
Director not  
liable for  
retirement.



Name  
Clause

258. If Desai Investments Private Limited and its associates cease to hold less than 10% of the equity shares of the Company, then, forthwith, the prefix V.B.DESAI in the name of the Company shall be changed and the Company should also desist from using the logo of M/s. V.B.DESAI in its letter head, stationery and in any other manner whatsoever.

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