

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
NATIONAL PLASTIC TECHNOLOGIES LIMITED
(As amended by resolution passed in EGM dated 07/01/2008)

PRELIMINARY

1. The Regulations contained in Table "A" in the First Schedule to the Companies Act, 1956, shall not apply to the Company, but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal of alteration of or addition to its regulations by special resolution, as prescribed by the Said Companies Act, 1956, be such as are contained in these Articles.
2. In these Articles:-
 - a) "The Act" means the Companies Act, 1956, as amended from time to time.
 - b) "The Board" or the "Board of Directors" means the meeting of the Directors duly called and constituted or, as the case may be, Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Articles, or the Directors of the Company collectively.
 - c) "The Company" means when used with reference to this Company NATIONAL PLASTIC TECHNOLOGIES LIMITED
 - d) Dividend includes bonus
 - e) "Equity Share capital" shall mean all share capital other than preference share capital and "Equity Share" shall be construed accordingly.
 - f) "Financial Year" means in relation to the Company, the period in respect of which any Profit and Loss Account of the Company laid before it in Annual General Meeting is made up, whether that period is a year or not.
 - g) "In writing" includes printing, lithography, type-writing and any other usual substitutes for writing.

- h) "Member" means duly registered holder, from time to time of the shares of the Company and includes the subscribers of the Memorandum of Association.
 - i) "Month" shall mean a calendar month according to the Gregorian Calendar.
 - j) "Office" means the Registered Office for the time being of the Company.
 - k) "Paid up" shall include "credited as paid up".
 - l) "Person" shall include any Association, firm, corporation or company as well as individuals.
 - m) "These presents" or "Regulations" means these Articles of Association or as they stand altered from time to time and includes the Memorandum of Association where the context so requires.
 - n) "Proxy" means an instrument whereby any person is authorised to vote for a member at a General Meeting on a poll, and includes the person so authorised.
 - o) "The Register" means the Register of Members to be kept pursuant to the Act.
 - p) "Seal" means the Common Seal for the time being of the Company.
 - q) "Special Resolution" and "Ordinary Resolution" have the meanings assigned thereto respectively by section 189 of the Act.
 - r) "Section" means a section of the Act.
 - s) Words imparting the Masculine gender also include the Feminine Gender.
 - t) Words imparting the singular shall include the plural and words imparting the plural shall include the singular.
 - u) 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.
3. Copies of the Memorandum and Articles of Association and other documents mentioned in Section 39 of the Act shall be furnished by the Company to any member at his request within seven days of the requirement subject to the payment of a fee (if any) as may be required by the Directors and is permitted under the Act.

CAPITAL

4.(a) The Authorised Share Capital of the company is Rs. 10,00,00,000 (Rupees ten crores only) divided into 1,00,00,000/- (one crore) equity shares of Rs. 10/- (Rupees ten) each with power to increase or reduce such capital subject to the provisions hereinafter contained

The Board may at its discretion, issue any part or parts of the unissued shares upon such terms and conditions with such rights and privileges annexed thereto as the Board, at its discretion and subject to the provisions of the Companies Act, 1956, and SEBI Regulations or any amendments thereto from time to time, think fit and in particular, issue such shares with such preferential rights to dividend and in the distribution of the assets of the Company, as the Board may determine".

(b) The Equity Shares shall rank for dividend and return of capital parri-passu among themselves, but in proportion to the amount paid up thereon.

© Subject to the provisions of section 87(1) of the Act every holder of an Equity Share in the Capital of the Company shall have the right to vote on every resolution placed before the Company.

5. The Company shall not issue any shares (not being preference shares which carry voting rights in the Company as to dividend, capital or otherwise) which are disproportionate or different to the rights attaching to the holders of Equity Shares.
6. Subject to the provisions of the Act and these Articles the shares in the Capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (Subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper, and the Board of Directors may with the sanction of the Company in General Meeting to any person the option to call for or be allotted shares of any class of the Company either at par or at premium or (subject as aforesaid) at a discount, such option being exercisable at such times and for such consideration as the Directors think fit.
7.
 - a) The rights attached to any class of shares (unless otherwise provided by the terms of the issue and that class) may, subject to the provisions of Section 106 and 107 of the Act be varied with the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the share of that class.
 - b) To every such separate General Meeting the provisions of these Articles relating to General Meetings shall mutatis mutandis apply, but so that the necessary quorum shall be five persons at least holding or representing by proxy one-third of the issued shares of that class.
8. Subject to the provisions of Section 79 of the Act, the Company may issue at a discount shares in the Company of a class already issued if the issue is authorised by a special resolution and by the Company law board, subject to a maximum discount of 10% or such higher percentage as the Company law board may permit. Provided that such issue of shares shall be made within two months of 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.
9. Subject to the provisions of Section 76 of the Act, the Company by a special resolution may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in, debentures, or debenture stock of the Company or for procuring, or agreeing to procure, subscriptions (whether absolute or conditional) for shares in, or for debentures or debenture stock of the Company but so that if the commission in respect of any such shares, debentures or debenture stock shall be paid or payable out of the capital the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five per cent of the issue price of the shares and two and half per cent of the issue price of debentures or debenture stock in each case subscribed or to be subscribed. And to the extent stated above the commission may be paid or satisfied by the issue and allotment of fully paid up shares, debentures or debenture stock of the Company.
10. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls in respect of such shares.
11. Subject to provisions of Sec.187-C of the Act, and save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and

accordingly the Company shall not, except if so ordered by a court of competent jurisdiction or by statute required, be bound by or to recognise any equitable, contingent, future or partial interest, lien, pledge, or charge in any share or (except only as by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entire thereof in the registered holder.

12. The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold, or goods transferred, or machinery or appliances supplied by cash, or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business; and any shares so allotted shall be deemed to be fully paid up shares.
13. As regards all allotments from time to time made, the Company shall duly comply with section 75 of the Act.

SHARES AND SHARE CERTIFICATES

14. An application signed by or on behalf of the 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. Every person to whom any shares have been so allotted or who otherwise accepts any shares and whose name is on the Register shall for the purpose of these presents be a member.
15. Every share certificate shall be issued under the Seal and in accordance with the provisions of the Companies (issue of Share Certificates) Rules, 1960 or any modifications thereof for the time being in force.
16.
 - a) Every person whose name is entered as a member in the Register of members shall, without payment, be entitled to a certificate under the seal specifying the share or shares held by him and the amount paid or credited as paid up thereon.
 - b) In respect of share or shares held jointly by more than one person the Company shall not be bound to issue more than one certificate and the delivery of a certificate the shares to one of several joint holders shall be sufficient delivery to all; subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with sub-clause (c) below.
 - c) If the Directors approve and upon payment of such fee, if any, not exceeding two rupee per certificate as Directors may from time to time determine in respect of each class of shares, a member shall be entitled to several certificates each for one or more shares. Provided that any subdivision, consolidation or splitting of certificates required in the marketable lots shall be done by the Company free of any charges.
 - d) The Company shall within 3 months after the allotment of any of its shares or debentures and within one month after application for the registration of the transfer of any such shares or debentures is lodged with the Company, complete and have ready for delivery certificate of all shares and debentures allotted or transferred unless the conditions of issue of the shares or debentures otherwise provide.
17. In the case of share certificates which are not in market lots, any person (whether a registered holder or not) being in possession of share certificate, may surrender the said share certificate and apply to the Company for the issue of several share certificate, each of them comprising a market lot or multiples of market lots or other number of

shares as he may desire, and the Board shall, on such request, in lieu and in cancellation of the certificates so surrendered, issue one or more certificates, as the case may be, in the name of the person or persons in whose name or names the original share certificate stood, and the new certificate or certificates to be issued shall be delivered to the person who surrendered the original certificate or to his holder. No fee shall be charged for the issue of share certificates.

18. If a share certificate be declared, lost or destroyed, a fresh one may be issued in its stead on payment of such fee, if, any, as may be determined by the Board, not exceeding two rupees for each such certificate, and on such terms as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence, as the Board may think fit. But, no fee shall be charged for the issue of certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised. All such certificates shall be marked "Duplicate".
19. The purchaser of any shares sold by the Company in exercise of the powers of forfeiture or of lien on shares shall not be required to pay any fee for the fresh certificate that may have to be issued by the Company in default of the original holder of such share returning the certificate to the Company. The Board may make such arrangements for distinguishing such new certificate from the one not so surrendered, as the Board may think fit.
20. Any person (whether a registered holder of the shares or not) being in possession of any share certificate or share certificates for the time being, may surrender the said share certificate to the Company and apply to the Company for the issue of two or more fresh share certificates comprising the same shares bearing the same distinctive numbers as were comprised in the said certificates and in such separate lots as he may desire in lieu of such surrendered share certificates or for the consideration of the shares comprised in such surrendered share certificates into one certificate, and the Directors may at their discretion, on payment of a fee of Rupee One (or such other sum as may be fixed by the board from time to time in this behalf) for each such new share certificate, in lieu of and in cancellation of the certificates so surrendered, issue one or more such share certificates as the case may be in the name of the person or persons in whose name the original certificates stood, and the new certificates so issued shall be delivered to the person who surrendered the original certificates or to his order. No fee shall be charged for the issue of fresh certificates either on consolidation or for the splitting up on any share certificate so surrendered into market lots.

LIEN

21. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member, whether solely or jointly with others, and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and to equitable interest in any share shall be created except upon the footing and condition that Article 11 hereof is to have full effect. And such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Board of Directors may at any time declare any such shares wholly or in part to be exempted from the provisions of this clause.
22. For the purpose of enforcing the lien, the Board of Directors may sell the shares thereto in such manner as they think fit, provided that such shares shall be offered to the other members of the Company and in

proportion, as nearly as possible as circumstances permit, to the Equity shares when they then hold in accordance with the relevant provision of the Articles of Association of the Company. No sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committee, curator bonus, or other legal representatives as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for the fourteen days after the date of such notice.

23. The net proceeds of the sale shall be received by the Company and, after payment of the costs of such sale, applied in payment of such part of the amount in respect of which, the lien exists as is presently payable, and the residue, if any, shall subject to like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale or to his legal representatives, as the case may be.
24. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein given, the Board of Directors may appoint some person to execute an instrument of transfer of the share 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, nor to the application of purchase money, and after his name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Upon the purchasers' name being entered in the Register, the original certificates of the shares sold to it or him shall automatically stand cancelled and become null and void and new certificates of shares shall be issued in its or his name in lieu thereof.

CALLS ON SHARES

25. Subject to the provisions of Section 91 of the Act, the Board may, from time to time, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board.
26. Not less than twenty one days' notice of any call shall be given specifying the time and place of payment and the person to whom such payment shall be made, provided that before the time for payment of such call the Board may, by notice in writing to the members, extend the time for payment thereof.
27. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the nominal value of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Board of which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount of instalment accordingly.
28. A call shall be deemed to have been made on the date fixed as the date of the making of the call by the resolution of the Board authorising the call and, failing such fixation, the call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
29. If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall

pay interest upon the same at the rate fixed by the Board, not exceeding fourteen per cent per annum, from the day appointed for the payment thereof, to the time of the actual payment but the Board may waive payment of that interest wholly or in part.

30. The Board may, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding without the sanction of the Company in General Meeting fourteen per cent per annum) as may be agreed upon between the member paying the sum in advance and the Board, such advances shall not confer a right to dividends or to participate in profits or to any voting rights.
31. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder 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 share either by way of principal, interest or any indulgence granted by the Company in respect of the payment of any such moneys shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

TRANSFER AND TRANSMISSION OF SHARES

32. The instrument of transfer of any share in the Company shall be executed both by or on behalf of the transferor and the transferee and the transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof. In the case of shares held jointly and in the case where shares have been transferred to more than one person jointly the transfer deed shall be signed by all the said joint holders or by all the transferees, as the case may be.
33. The instrument of transfer shall be in the form prescribed under section 108 of the Act.
34. Subject to the provisions of Section 111 of the Act, the Board may at any time, in their absolute discretion and without specifying any grounds decline to register any proposed transfer of shares within one month from the date on which the instrument of transfer was delivered to the Company, provided the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
35. No instrument of transfer shall be recognized by the Board unless:
 - a) the instrument of transfer duly stamped is accompanied by the certificate of shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or his right to transfer the same.
 - b) the instrument of transfer is in respect of one classes of share only.
36. Subject to the provisions of the Companies (Issue of share certificates) Rules 1960, every endorsement upon the certificate of any share in favour of any transferee shall be signed by a member of the Board or by the Secretary or by some other person for the time being duly authorised by the Board in that behalf.

37. The Company shall keep a register of Transfers and Transmissions ("The transfer register") wherein shall be entered the particulars of every transfer or transmission of any shares.
38. The transfer register and the register may be closed during such time as the Board thinks fit, not exceeding in the whole forty five days in each year but not exceeding thirty days at a time, after giving not less than twenty one days previous notice by advertisement in some newspaper circulating in the district in which the office is situated.
39. a) In the event of the death of any one or more of the joint holders of any registered shares, the survivor or survivors shall alone be recognized by the Company as having any title to or interest in such shares.
- b) In the event of the death of any sole holder or of the death of the last surviving holder the executors or administrators or other person legally entitled to the shares shall be entitled to be recognized by the Company as having title to the shares of the deceased. Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognized as having title to the shares as heir or legal representative of the deceased shareholder. Provided further that if the member had been a member of a Joint hindu family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors or the Karta thereof as having title to the shares registered in the name of such members. Provided further that in any case it shall be lawful for the Board in the absolute discretion to dispense with the production of probate or letters of administration or other legal representation upon such terms as to indemnity or otherwise as to the Board may deem necessary.
- c) No fees shall be charged for the registration of the transfer of shares or for transmission of shares or for the registration of any power of attorney, succession certificate or other similar documents.
40. Any person becoming entitled to shares in consequence of death or bankruptcy of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Board thinks sufficient, may with the consent of the Board be registered as a member in respect of such shares or may subject to the articles as to transfer herein above contained, transfer such shares.
41. Any person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in regard to the meetings of the Company.
42. a) An Application for registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor no registration shall, in the case of partly, paid shares, be effected unless the Company gives notice of the application to the transferee and subject to the provisions of sub-clause (d) hereof, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the

transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

- b) For the purpose of sub-clause (a) notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered in the ordinary course of post.
- c) It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped and executed by the transferor and the transferee specifying the name, address and occupation if any, of the transferee has been delivered to the Company alongwith the certificate or, if no such certificate is in existence, along with the letter of allotment. Provided that where, on application in writing made to the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit. Provided that an option or right to call of shares shall not be given to in person or persons except with the sanction of the Company in the General Meeting.
- d) If the Company refused to register the transfer of any shares, the Company shall within, one month from the date on which the instrument of transfer is lodged with the Company, send to the transferee and the transferor notice of the refusal.

43. Notwithstanding anything contained in these articles, the transferor or transferee of the persons who gave intimation of the transmission by operation of law, may appeal to the Central Government or the Company law Board, as the case may be against any refusal of the Company to register the transfer or transmission or against any failure on its part, within a period of two months from the date on which the instrument or transfer, or the intimation of such transmission, as the case may be, is lodged with the Company, either to register the transfer or transmission or to send notice of its refusal.

Provided that he shall do so:

- i) in the case the appeal is against the refusal to register a transfer or transmission within two months of the receipt by him of the notice of refusal; and
 - ii) in case the appeal is against the failure to send the notice of refusal, within two months from the expiry of the period referred to in Article 42(d).
44. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the register) to the prejudice of persons having or claiming any equitable right, title or interest 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 transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right or title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company, but the

Company shall nevertheless be at liberty to have regard to and give effect thereto, if the Board shall think fit.

FORFEITURE OF SHARES

45. If a member fails to pay any call or installment of a call on the day appointed for the payment thereof, the Board may, at any time thereafter, during such time as any part of such a call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.
46. The notice aforesaid shall name a day (not earlier than the expiration for fourteen days from the date of service of the notice) and a place or places on and at which the payment required by the notice is to be made, and shall 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 will be liable to be forfeited.
47. If the requirements of any such notice as aforementioned are not complied with, any share in respect of which notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares, and not actually paid before the forfeiture.
48. A forfeited share or surrendered share accepted by the Company as aforesaid may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Board may think fit.
49. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall nevertheless remain liable to pay and shall forthwith pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares together with interest at 14% (fourteen per cent) per annum, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company has received payment in full, of all moneys due in respect of such shares. The Board may, if they think fit, remit the payment of such interest or any part thereof.
50. A duly verified declaration in writing that the declarant is a Director 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 claiming to be entitled to the share and the declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share, and the person to whom the share is sold or disposed of shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
51. The provisions of these presents as to forfeiture shall apply in 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 amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
52. Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company, in or towards payment of

any money due from him either alone or jointly with any other person, to the Company in respect of calls or otherwise.

53. Subject to the provisions of the Act or of any other law in that regard, the Board may accept in the name of and for the benefit of the Company and upon such terms and conditions as may be agreed, the surrender of any shares liable to forfeiture and, in so far as the law permits, of any other shares.

CONVERSION OF SHARES INTO STOCK

54. The Board may, with the sanction of the Company previously given in General Meeting, convert any paid up shares into stock and may with the like sanction reconvert any stock into paid up shares of any denomination.
55. The holders of stock in the Company may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which, the shares from which the stock arose might, prior to such conversion, have been transferred or as near thereto as circumstances admit; but the Board may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum but the minimum shall not exceed the nominal amount of the shares from which the stock arose.
56. The holders of stock shall, accordingly to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company and other matters, as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred on an amount of stock as would not, if existing in shares, have conferred that privilege or advantage.
57. Such of the Articles of the Company (other than those relating to share warrants) as are applicable to paid up shares shall apply to stock and the words "Share and "Shareholder" therein shall include "Stock" and "Stock holder" respectively.

SHARE WARRANTS

58. The Company by a special resolution, subject to section 114 and 115 of the Act and with previous approval of the Central Government, may issue share warrants and accordingly the board may in their discretion with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the request and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time fix issue under the seal a warrant, duly stamped stating that the bearer of the warrant is entitled to the share therein specified and may provide by coupons or otherwise for the payment of future dividends or other moneys on the shares included in the warrant.
59. A share warrant shall entitle the bearer to the shares included in it and the shares shall be transferred by the delivery of the share warrant and the provisions of the articles of the Company with respect to transfer and transmission of share shall not apply thereto.
60. The bearer of a share warrant shall on surrender of the warrant to the Company for cancellation and on payment of such sum as the Board may from time to time prescribe, be entitled to have his name entered as a member in the Register in respect of the shares included in the warrant.

61. The bearer of a share warrant may at any time deposit the warrant at the office and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiration of two clear days from the time of deposit, as if his name was entered in the Register as the holder of shares included in the deposited warrant. No more than one person shall be recognised as depositor of the same share warrant. The Company shall, on two clear days written notice, return the deposited share warrant to the depositor.
62. Except as hereinabove otherwise expressly provided no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company, but the bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register as the holder of the shares included in the warrant and he, shall be a member of the Company.
63. The Board may, from time to time, make rules as to the terms on which a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

ALTERATION OF CAPITAL

64. a) The Board may, with the sanction of the Company in General Meeting accorded by a resolution, increase the authorised share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
- b) The new shares shall be subject to the same provisions with reference to the payment of calls, transfer, transmission forfeiture and otherwise as the shares in the share capital before increase.
65. a) The Board may at any time increase the subscribed capital of the Company by issue or allotment of further shares out of the unissued part of the Authorised share capital but subject to the provisions of sub-clause (b) of this Article.
- b) The Board shall, subject to the provisions of section 81 of the Act, observe the following conditions.
 - i) such further share shall be offered to the persons who, at the date of the offer, are holders of the Equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at the date.
 - ii) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
 - iii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person, and the notice referred to in sub-clause (b) (ii) above shall contain a statement of this right; and
 - iv) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.

66. Notwithstanding the provisions in Article 65 above, the Board may with the sanction of the Company in General Meeting offer and allot the aforesaid shares to any person at their discretion provided that such sanction is accorded subject to the provisions of section 81 (1-A) of the Act.

67. Nothing in these articles shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to debentures issued or loans raised by the Company.

a) to convert such debentures or loans into shares in the Company; or

b) to subscribe for shares in the Company.

Provided the terms of issue of such debentures or terms of such loans include a term providing for such option and such term has been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans and also either has been approved by the Central Government before the issue of the debentures or the raising of the loans, or is in conformity with the rules, if any, made by the Government in that behalf.

68. The Company may by a resolution:

a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

b) sub-divide the whole or any part of the its share capital into shares of smaller amount than is fixed by the Memorandum of Association so however that, in the sub-division, the proportion which the amount, if any, unpaid on each reduced share bears to the nominal value of such reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.

c) cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

69. The Company may subject to the provision of section 100 to 105 of the Act by Special Resolution reduce its capital or capital redemption fund or share premium account in any manner and with subject to any incident authorised and consent required by law.

GENERAL MEETINGS

70. a) The statutory meetings of the Company shall, as required by section 165 of the act, be held within a period of not less than one month and not more than six months from the date on which the Company shall be entitled to commence business, and at such place as the Directors may determine and the Directors shall comply with the other requirements of the Act as to the report to be submitted and otherwise.

b) The Annual General Meeting shall be held in accordance with section 166 of the Act and shall be called at a time during business hours, on a day that is not a public holiday and shall be held either at the office or at some other place within the city, town or village in which the office is situated as the Board of Directors may determine and the notices calling the meeting shall specify it as the Annual General Meeting.

71. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

72. The Board may, whenever it thinks fit, call extraordinary General Meetings.
73. The Board shall, on the requisition of the members of the Company in accordance with the provisions of section 169 of the Act proceed to convene an Extraordinary General Meeting of the Company. The requisitionist may, in default of the Board convening the same, convene the Extra-ordinary General Meeting as provided by Section 169 of the Act.
74. All General Meetings shall be convened by giving not less than twenty one days notice (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) specifying the place, the day and the hour of meeting and, in case of special business, notice of the general nature of that business shall be given in the manner herein mentioned. A Notice convening an Annual General Meeting must specify it as such. Notice shall be given to all the members and to such persons as are under the Act and/or these Articles, entitled to receive such notice from the Company, but the accidental omission to give notice to or the non receipt of the notice by any member or other person, to whom it should be given shall not invalidate the proceedings at the General Meeting.
75. With the consent of all the members entitled to vote thereat an annual General Meeting and with the consent of the members holding not less than 95% of such part of the paid up share capital of the Company is given a right to vote thereat, any other General Meeting, may be convened by giving a shorter notice than twenty one days.
76. All business shall be deemed special that is transacted at an extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of the declaration of a dividend, the consideration of the Accounts, Balance Sheet and the reports of the board and Auditors, the appointment of Directors in the place of those retiring by rotation and the appointment of and the fixing of the remuneration of the Auditors.
77. Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of meeting a statement setting out all material facts concerning each such item of special business, including in particular the nature of the concern or interest, if any therein, of every Director and the Managing Director, if any, of the Company, if any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in this statement aforesaid.

PROCEEDINGS AT GENERAL MEETINGS

78. Five members personally present or, in the case of a corporation present by its duly authorised representative, shall be quorum for a General Meeting.
79. If within half an hour from the time appointed for holding the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved, and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and such other time and place as the Board may determine. If at the adjourned meeting also a quorum be not present within half an hour after the time appointed for holding the adjourned meeting, the members present shall be a quorum.
80. The chairman, if any, of the Board of Directors, shall preside at every General Meeting of the Company.
81. If there is no such chairman, or if at any meeting he is not present

within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman, the members present shall choose another Director as chairman and if no Director be present, or if all the Directors decline to take the chair, then the members present shall choose someone of their number to be chairman.

82. The Chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn that meeting from time to time and subject to the provisions of the Articles from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for fifteen days or more, notice of the adjourned meeting shall be given as nearly as may be in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted thereat.
83. At any General Meeting a resolution put to vote of the meeting shall be in the first instance be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of Article 84 or section 179 of the Act. Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
84. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by at least five members having the right to vote on the resolution and present in person or by proxy and holding shares in the Company.
- i) which confer a power to vote on the resolution not being less than one tenth of total voting power in respect of the resolution; or
 - ii) 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 a person or the persons who makes the demand.
85. If a poll is duly demanded, it shall be taken in such manner as the Chairman directs subject to section 184 and 185 of the Act and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
86. In case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall have casting of vote in addition to the vote or votes to which he may be entitled as a member.
87. a) A poll demanded on the election of chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time, not being later than forty eight hours from the time when the demand was made, as the chairman of the meeting may direct.
- b) A demand for a poll shall not prevent the continuance of meeting for the transaction of any business other than that on which a poll has been demanded.
88. The Chairman of the meeting may appoint two scrutineers, one of whom

shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed to scrutinise the votes given on a poll and report thereon to him. Any such scrutineers may, before the result of the poll is declared, be removed from office and the vacancies in the office of scrutineers arising from such removal or from any other cause, may be filled up by the chairman.

VOTE OF MEMBERS

89. a) Save as herein provided, on a show of hands every member holding any Equity share Capital of the Company present in person at the meeting shall have one vote.
b) On a poll every member holding any equity share capital in the Company shall have a voting right in proportion to his share of the paid up Equity Share capital of the Company.
90. Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares 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 attorney then that one of such person 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 in the meeting, provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy who stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purpose of this sub-clause be deemed joint holders.
91. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian, on a poll may vote by proxy.
92. No member shall be entitled to vote at any General Meeting, unless all calls or other sums presently payable by him in respect of his shares in the Company have been paid.
93. On a poll, votes may be given either personally or by proxy.
94. The instrument appointing a proxy shall be in writing, and be signed under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under its common seal or the hand of an officer or of its attorney duly authorised in writing.
95. Any person, whether or not he is a member of the Company may be appointed as a proxy.
96. The instrument appointing a proxy and the power of attorney or other authority (if any under which it is signed or a notarially certified copy of that power of authority) shall be deposited, Directors of other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company, and the persons so authorised shall be entitled to exercise the same powers on behalf of the body corporate as it could have exercised if it were an individual member of the Company.

BOARD OF DIRECTORS

97. The Company shall have not less than 3 and not more than 12 Directors.

98. Not less than two thirds of the total number of Directors for the time being shall be those whose period of office is liable to determination by retirement by rotation and shall save as otherwise expressly provided in these presents be by the Company in General Meeting.

99. A Director shall not be required to hold any share in the capital of the Company as his qualification.

DISQUALIFICATION OF DIRECTORS

100. a) Subject to Section 274 of the Act, a person shall not be capable of being appointed Director if:

- i) he has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force.
- ii) he has applied to be adjudicated as an insolvent and his application is pending.
- iii) he is an undischarged insolvent.
- iv) he has been convicted by a court 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.
- v) he had not paid any call in respect of shares 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
- vi) an order disqualifying him from 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.

b) The Central government may, by notification in the official gazette, remove

- i) the disqualification incurred by any person by virtue of Article 100 (a) (iv) either generally or in relation to any company or companies specified in the notification or (ii) the disqualification by virtue of Article 100 (a) (v).

101. Except with the prior consent by special resolution of the Company in General Meeting, no Director of the Company, nor any partner or relative of such Director, nor any firm in which such Director or a relative of such Director is a partner, nor any private Company of which such Director is a Director or member nor any Director or manager of such a private Company shall hold any office or place of profit carrying a total monthly remuneration in excess of sum prescribed for this purpose under the Companies Act, or rules made thereunder and amended from time to time, except that of Managing Director or Manager or Trustee for the holders of Debentures of the Company.

- i) Under the Company, or
- ii) under any subsidiary of the Company, unless the remuneration received from such office or place of profit is paid over to the Company or its holding Company.

102. The aforesaid provision contained in Article 101 hereof shall in all other respects be subject to the exceptions, restrictions, relations and other provisions contained in Section 314 of the Act.

NOMINEE DIRECTORS

103. In case the Union Government or any State Government or the Industrial Development Bank of India or the Life Insurance Corporation of India or Industrial Finance Corporation of India or the Industrial Credit and Investment Corporation of India limited or the Tamil Nadu Industrial Investment Corporation Ltd., or State Industries promotion Corporation of Tamil Nadu or any other financial institution or bank grants loans or accepts participation in the capital and direction of the Company, such government or corporations, or financial institutions shall be entitled so long as the Company is indebted to such government or corporation or other financial institutions or such government or corporation or other financial institutions continues to be interested in the Company in any fiduciary capacity to nominate from time to time and to substitute in the place of such nominees one or more individuals as Directors, subject to the approval of the Central Government and the Board of Directors of the Company, to protect the interest of each such government or corporation or other financial institution the board of Directors of the Company and while holding such office the nominees may not be liable to retire by rotation and may not be required to hold qualification shares if any.

ADDITIONAL DIRECTORS

104. a) The Board shall have power to appoint one or more individuals to be Additional Directors provided that the number of Directors and additional Directors so appointed shall not at any time exceed the limit fixed in Article 97. The additional Directors shall hold their office only upto the date of the next annual General Meeting of the Company.
- b) Subject to the provisions of the Sections 261, 262, 264 and 284 (6), the Board shall have power at any time and from time to time to appoint any other qualified persons to be a Director to fill up a casual vacancy. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

ALTERNATE DIRECTORS

105. The Board of Directors may appoint any individual to be an Alternate Director to act for a Director (hereinafter referred to as the "Original Director") during his absence for a period of not less than three months from the state in which the meetings of the Board are ordinarily held. An alternate Director so appointed shall not hold office as such for a period longer than that permissible to the original Director and shall vacate office if and when the original Director returns to the state in which meetings of the Board are ordinarily held. If the term of office of the original Director is determined before he so returns to the state aforesaid, the provisions contained in the Act or these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the original Director but not to the alternate Director.
106. An alternate Director shall (except as regards powers to appoint an alternate Director) be subject in all respects to the terms and conditions existing with reference to the Original Director in whose place he is appointed as an alternate Director and shall be entitled to receive notice of all meetings of the Directors and to attend, speak and vote at any such meeting, notices of all resolutions proposed to be passed by circulations and notices of any meetings of committees of the Directors of which the original Director (in whose place he is appointed as an alternate Director) is a member.

107. One person may act as an alternate Director to more than one original Director and while he is so acting shall be entitled to a separate vote for each original Director he is representing and, if he is himself a Director, his vote as an alternate Director shall be in addition to his own vote.
108. An original Director shall not be liable for the acts and defaults of any alternate Director appointed in his place.
109. An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being, but he shall be counted (both in his own behalf and on behalf of each original Directors for whom he is acting as reckoning) whether a quorum is present at any meetings of the Director or of committees of Director attended by him at which he is entitled to vote.

CASUAL DIRECTORS

110. If the office of any Director appointed by the Company in General Meeting is vacated before the term of his office would expire in the normal course, the resulting casual vacancy occurring on the Board may be filled by the Board, but the person so chosen shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

SITTING FEES, ETC.

111. The Directors for the time being of the Company shall each be entitled to be paid a sitting fee as may be fixed by the Board in accordance with section 310 of the Act for every meeting of the Board, or of any committee of the Board, attended by them.
112. In addition to sitting fees, the Directors shall be entitled to be paid all travelling, halting and other expenses incurred by them in attending the meetings of the board or of any committee of the Board from their normal place of residence and returning from such meetings of the Board or of any committee of the Board.
113. If any Director shall be appointed to advise the Board as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Board may after obtaining the sanction of the Company in General Meeting by a resolution and such sanction as may be necessary of the Central government pay to such Director such special remuneration as they think fit which remuneration may be in the form of either salary, commission or compensation on a per diem basis.
114. No Director of the Company or any other officer shall hold any office or place of profit except under the provisions of section 204, 314, 314(1A), 314(B) or any other relevant provisions of the Act.

RETIREMENT AND REMOVAL ETC. OF DIRECTORS

115. 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. The Directors to retire in such cases shall be those who have been longest in office since their last appointment but as between persons who become directors on the same day as their last appointment, those who are in default of and subject to any to retire shall agree among themselves, be determined by lots.
116. A retiring Director shall be eligible for re-appointment.

117. The Company at the annual General Meeting at which a Director retires in the manner aforesaid may fill the vacated office by appointment of another individual there to if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose such person as a candidate to that office, as the case may be, along with a deposit of five hundred rupees which shall be returned to such person, or as the case may be, to such member, if the person succeeds in getting elected as a Director and he has signed and filed with the registrar his consent in writing to act as such Director within thirty days of his appointment. The Company shall notify the members in accordance with the provisions of section 257 of the Act.
118. The appointment of Directors shall be voted upon individually.
119. If, at any annual General Meeting at which an appointment of Directors ought to take place, the place of any retiring Director is not filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, and if at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall, if willing, and is not otherwise disqualified be deemed to have been re-appointed unless the resolution for such re-appointment has been put to the vote and lost either at the adjourned meeting or at the previous meeting.
120. The Company may from time to time, in General Meeting, increase or reduce the number of Directors, subject to approval by the Central government in the case of an increase over the limit prescribed by Article 97.
121. The office of a Director shall become vacant under the conditions stipulated in section 283 of the Act.
122. Subject to the provisions of the Act and the following provisions, the Company may remove a Director (not being a Director nominated by the Central Government under section 408 of the Act or by the Articles providing for the appointment of non-rational Directors by government and financial institutions) by ordinary resolution.
- a) Special notice shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
 - b) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
 - c) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes the 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, (i) in the notice of the resolution given to members of the Company, state the fact of the representations having been made and (ii) send a copy of the representations to every member of the Company to whom notice of the meetings is sent (whether before or after receipt of the representations by the Company); and if a copy of the representation is not sent as aforesaid 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 sent out and the representations need not be read 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.

- d) A vacancy created by the removal of a Director under this Article may if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 107 or 108 be filled by the appointment of another Director in his stand by the meeting at which he is removed; provided special notice of the intended appointment has been given under sub clause (a). A director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.
 - e) If the vacancy is not filled under sub-clause (d) it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Article 113 and all the provisions of that Article shall apply.
 - f) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
 - g) Nothing contained in this Article shall be taken.
 - h) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or
 - i) as derogating from any power to remove a Director which may exist apart from this article.
123. a) Subject to the provisions of Sections 297, 299, 300 and 301 of the Act, the following provisions of this Article shall be complied with and take effect.
- b) Every Director who in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement 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 or as provided by sub-clause (d) hereof.
 - c)
 - i) In the case of a proposed contract or arrangement, the disclosure required to be made by a director under sub clause (b) above, shall be made at the meeting of the Board of which the question of entering into contract or arrangement is first taken into consideration or if the Director was not at the date of the meeting concerned or interested in the proposed contract or arrangements at the first meeting of the Board held after he becomes so concerned or interested, and
 - ii) 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 interested in the proposed contract or arrangement.
 - d) For the purpose of this Article a General notice given to the Board of Director by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified

firm and is to be regarded as concerned or interested in any contract or arrangements which may, after the date of the notice be entered into with that body corporate or firm, shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement made or proposed to be so made. Any such general notice shall expire at the end of the financial year in which it is given. The general notice aforesaid or any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

- e) An interested Director shall not take any part in the discussion of, or vote on any contract or arrangement entered into, by or on behalf of the Company, if he is in any way, directly or indirectly concerned or interested in the contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void. Provided that this prohibition shall not apply.
- i) to 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 surety of the Company.
 - ii) to any contract or arrangement entered into with a public company or private Company which is a subsidiary of a public Company in which the interest of the Director consists solely in his being a Director of such company and the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as Director thereof, he having been nominated as such Director by the Company, or in his being a member of such Company holding not more than two percent of its paid up share capital or.
 - iii) in case a notification is issued under sub-section (3) of section 300 of the Act to the extent specified in the notification.
124. A Director may become a Director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for the benefits received as Director of such Company.
125. a) A Director shall within twenty days of his appointment or relinquishment of office as Director, Managing Director, Manager or Secretary in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under section 303 (1) of the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with section 303 of the Act.
- b) A Director shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary together with such particulars as may be necessary to enable the Company to comply with the provisions of these Articles and section 307 of the Act. If such notice be not given at a meeting of the Board of directors, the director shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is a given.

PROCEEDINGS OF THE BOARD OF DIRECTORS

126. The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three months, and at least four such meetings shall be held in every year. The directors may adjourn and otherwise regulate their meetings and proceedings as they think fit. The managing Director or the secretary may at any time and at the request of a Director convene a meeting of the Board.
127. All meetings of the Board of Directors of the company shall, unless otherwise determined by the Board, be held at the Office.
128. Notice of every meeting of the Board of Directors of the company or of any committee appointed by the Board shall be given in writing to every director for the time being in India and at his usual address in India to every other Director.

QUORUM

129. The quorum for a meeting of the Board of Directors shall be one-third of the total strength (excluding Directors, if any, whose places may be vacant at the time and 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 the remaining Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say the number of Directors who are not interested present at the meeting being not less than two shall be the quorum competent to exercise all or any of the authorities, powers and discretions which are by or under the act or the Articles of the company for the company for the time being vested in or exercisable by the Board of Directors generally subject always to the provisions of the Act and these Articles.
130. If a meeting of the Board or a Committee of the board or any adjournments thereof cannot be held for want of a quorum, then every such original or adjourned meeting shall stand adjourned from time to time to such day, time and place as the director or directors present at such meeting may deem fit.

CHAIRMAN

131. The Board and any committee of the Board may elect one among its members to be the chairman and determine the period for which he is to hold office.
132. All meetings of the Directors shall be presided over by the Chairman, if present and willing to act, but if at any meeting of directors the chairman be not present at the time appointed for holding the same, or shall be unwilling to preside, then and in that case the Directors shall choose one of their number then present to preside at the meeting.

COMMITTEE OF DIRECTORS

133. Subject to the provisions of section 292 of the Act, the Board may delegate any of its powers to committee or committees consisting of such member or members of their body as they may think fit, and they may from time to time revoke and discharge any such committee either wholly or in part, and either as to person or purposes, but every committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any committee in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise,

shall have the like force and effect as if done by the Board. Subject to the provisions of the Act, the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Board in terms of these Articles and may pay the same.

134. The meeting and proceeding of any such committee shall be governed by the provisions herein contained for regulating the meetings and proceeding the Directors so far as the same are applicable thereto, and may not be superceded by any regulations made by the directors under the last preceding Article.
135. All meetings of any committees of the Board shall be presided over by the chairman of the committee or if no such chairman is elected, or if at any such meeting the chairman is not present or is unwilling to preside, the members present may choose one of their number then present to preside at the meeting.
136. A committee may meet and adjourn as it thinks proper. All meetings of any committees of the Board shall, unless otherwise determined by such committees, be held at the office.
137. All decisions of the board and/or of any committee of the Board shall require an affirmative vote of a majority of the Directors (or their alternates) present and voting at the meeting. The chairman of the Board or of the committee shall have a second or casting vote in the case of an equality of votes.
138. All acts done by any meeting of the board or of a committee thereof, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of any one or more of such directors or any of them were disqualified, be as valid as if every such director had been duly appointed and was qualified to be a director.
139. The continuing director may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum fixed by the Articles the continuing directors may act for the purpose of increasing the number of directors to that numbers or of summoning a general meeting of the Company, but for no other purpose.

RESOLUTION BY CIRCULATION

140. Resolution shall be deemed to have been duly passed by the board or by a Committee thereof by Circular, if 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, whether then in India or not (or to all the Directors or to all the members of the committee then in India not being less in number than the quorum required for a meeting of the Board or of the committee thereof, as the case may be) and to all other Directors or other members of the committee at their usual addresses in India and the Resolution has been approved by a majority of all such Directors or members of the committee as are entitled to vote on the Resolution.

GENERAL POWERS OF DIRECTORS

141. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts, deeds and things as the Company is authorised to do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise to be exercised or done by the Company in General Meeting.

Provided further that in exercising such power or doing any such act or thing the Board shall be subject to the provisions in that behalf contained in the Act or any other Statute or in the Memorandum of the Company or in these Articles or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting by special resolution, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

142. Subject to the provisions of the Act, any branch or kind of business, which by the Memorandum of Association of the Company or those presents is expressly or by implication authorised to be undertaken by the Company may be undertaken by the Board at such time or times as they shall think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.
143. Subject to the provisions of the Act and these Articles, the Board may delegate all or any of its powers to any Directors jointly or severally or to any one Director at their discretion.

CERTAIN POWERS EXERCISABLE ONLY AT BOARD MEETING

144. a) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of Resolution passed at meeting of Board.
- i) the power to make calls on shareholders in respect of money unpaid on their shares.
 - ii) the power to issue debentures
 - iii) the power to borrow moneys otherwise than on debentures
 - iv) the power to invest funds of the Company and
 - v) the power to make loans.

Provided that the Board may, delegate to any committee or Directors or the Managing Director, the powers specified in sub-clause iii, iv and v of this sub clause to the extent specified below.

- b) Every resolution delegating the power referred to in sub-clause (a) (iii) shall specify that total amount outstanding at any time which moneys may be borrowed by the delegatee, provided, however, that where the Company has an arrangement with Bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise, the actual day to day operation of the over draft, cash credit or other accounts by means of which the arrangements made is availed of shall not require the specific additional sanction of the Board.
- c) Every resolution delegating the power referred to in sub-clause (a) (iv) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegatee.
- d) Every resolution delegating the power referred to in sub-clause (a) (v) shall specify the total amount upto which loans may be made by the delegatee, the purpose for which may be made for each such purposes in individual cases.

- e) 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 referred to in sub-clause (a) above.
145. Subject to the provisions of sec. 297 and other relevant provisions of the Act, a Director of the Company or his relative, a firm in which such 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 directors, shall not enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services, or for underwriting the subscriptions of any shares, in or, debentures of the Company except with the consent of the Board of Directors by a resolution passed at a meeting of a Board before the contract is entered into or within three months of the date on which it was entered into. No such consent, however, shall be necessary to any such contract or contracts of the sale, purchase or supply of goods, materials or services in which either the company or the Director, firm, partner or private Company, as the case may be, regularly trades or does business, provided that the value of such goods and materials and the costs of such services do not exceed five thousand rupees in the aggregate in any calendar year comprised in the period of the contract or contracts. The Director so contracting begins so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relationship thereby established.

RESTRICTIONS ON POWERS OF BOARD

146. The Board of Directors notwithstanding anything contained in these Articles shall not except with the consent of the Company in General Meeting.
- a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking
 - b) remit, or give time for the repayment of any debt due by a director or former director.
 - c) invest otherwise than in trust securities, the amount of the compensation received by the company in respect of compulsory acquisition of any such undertakings as is referred to in clause (a) above or of any premises, or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.
 - d) borrow moneys in excess of the limits provided in these presents.
 - e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees any amount the aggregate of which will, in any financial year, exceed twenty five thousand Rupees or five per cent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding, which ever is greater.
 - f) issue debentures, debenture stock, bonds or other security conferring the right to allotment or conversion into shares or the option or right to call for allotment of shares in the Company.

APPOINTMENT OF POWER OF ATTORNEY

147. The Board may appoint at any time and from time to time by a power of attorney under the Company's seal any person to be the Attorney of the

Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board by or under the Act or these presents and for such period and subject to such conditions as the Board may from time to time think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with such attorney as the Board may think fit.

LOANS TO DIRECTORS

148. The Board of the Company as the case may be shall not make any loan to, or give any guarantee or provide any security in connection with a loan made by any person to, or to any other person, except subject to the restrictions limitations and other provisions contained in sections 295 and 370 of the Act as the case may be.

BORROWING POWERS

149. a) The Board of Directors may, from time to time at their discretion, raise any money or borrow or secure payment of or themselves lend, any money or sums of money for the purpose of the Company, provided that the moneys to be borrowed together with the moneys already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business, shall not without the consent of the Company in a general meeting by special resolution exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set part for any specific purpose, and in particular, the Board may, subject to sections 292 and 293 of the Act from time to time at their discretion, raise or borrow or secured the payment of any sum or sums of money for the purposes of the Company, by the issue of debentures convertible into shares of this or any other Company or perpetual annuities and as security for any such money so borrowed, raised or received mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital, by a special assignment or otherwise or transfer or convey the same absolutely or in trust and give the lenders powers of sale and other power as may seem expedient, and purchase, redeem or pay off such securities.

i) that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which money may be borrowed by the Board of Directors.

ii) that the Directors may, by a resolution at a meeting of the Board, delegate the power to borrow moneys otherwise than on debentures, to a committee of such directors or the managing Director, subject to limits specified in the said resolution in respect of the total which can be so borrowed, and

iii) that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company by special resolution in General Meeting.

b) Any such debentures, debenture stock, bonds or other security as may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment shares and attending at General Meeting of the Company, appointment of Directors or otherwise.

150. Subject to the provisions of sub-clause (a), above the Directors may from time to time, at their discretion raise or borrow and upon such terms and

conditions in all respects, as they think fit, and in particular, by promissory notes, or by opening current accounts or by receiving deposits and advances with or without security, or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being, or by mortgaging or charging or pledging any lands, buildings, goods or other property and securities of the Company, or by such other means as to them may seem expedient.

151. Subject to section 292 of the Act, if any uncalled capital of the Company is included in or charged by any mortgage or any other security, the Directors, may by an instrument under the seal authorize 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 herein before contained in regard to calls shall, mutatis mutandis, apply to calls made exercisable either conditionally or unconditionally, and either presently or contingently, and either to the exclusion of the Boards' power or otherwise and shall be assignable if expressed so to be.
152. Where any uncalled capital of the Company is charged all persons taking any subsequent charge thereon shall take the same subject to any prior charge therein and shall not be entitled by notice to the Directors or otherwise to obtain priority over such prior charge.
153. Subject to section 201 of the Act, if the Directors, or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, may mortgage, charge or security over to affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.
154. Subject to the provisions of the Act, debentures or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

REGISTERS AND MINUTES

155. The Company shall maintain registers, books and documents as required by the Act or these Articles including the following namely:
 - a) Register of investment not held in Company's name according to Section 49 of the Act.
 - b) Register of mortgages, debentures and charges according to sections 143 of the Act.
 - c) The Register and an index of members according to sections 150 and 151 of the Act.
 - d) Register of contracts, companies and firms in which directors are interested according to section 301 of the Act.
 - e) Register of Directors, according to section 303 of the act.
 - f) Register of Directors shareholding and debenture holdings according to section 307 of the Act.
 - g) Register of particulars of every contract under section 359 (1) of the Act.

- h) Register of investments in shares or debentures of bodies incorporated in the same group according to section 372 of the Act.
- i) Books of account in accordance with the provisions of section 209 of the Act and Article 176 hereof.
- j) Copies of instruments creating any charge requiring registration according to section 136 of the Act.
- k) Copies of annual returns prepared under section 159 of the Act together with the copies of certificates required under section 161 of the Act.
- l) Register and index of debenture holders according to section 152 of the Act.
- m) Register of renewed and duplicate certificates according to the provisions of the Companies (Issue of Share Certificates) Rules 1960.

The said register, books and documents shall be maintained in conformity with the provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act. The Company shall comply with the provisions of Sections 39, 118, 163, 196, 219, 301, 302, 304, 307, 362 and 373 of the Act as to the supply of copies of the registers, deeds, documents, instruments, returns, certificates and books therein mentioned to the persons therein specified when so required by such person on payment of charges, if any, prescribed by the Said sections. Where return, certificate, deed, instrument or document required to be kept or maintenance by the Company the person so entitled to inspection shall be permitted to inspect the same during the hours of 11 a.m. to 1 p.m. on such business days as the Act requires them to be open for inspection.

MINUTES

- 156. a) The Board shall cause minutes to be made in the books provided for the purposes.
 - (i) of all appointments of officials made by the Board in a meeting.
 - (ii) of the names of directors present at each meeting of the Directors and of any committee of Directors; and
 - (iii) of all resolutions and proceedings at all meetings of the Company and of the Directors and of any committee of directors; and
 - (iv) in the case of each resolution passed at a meeting of the Board of Directors or a Committee of the Board, the names of Directors, if any, dissenting from or not concurring in the resolution.
 - b) The Chairman of the meeting may exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person, irrelevant or immaterial to the proceedings or detrimental to the interests of the company.
157. It shall be the duty of the Company to file or cause to be filed with the Registrar of Companies duly certified under the signature of an officer of the Company all returns and other documents required to be filed under the provisions of the Act.

SECRETARY

- 158. a) Subject to the provisions of the Act in this behalf, the Board of

Directors may from time to time appoint any qualified individual, as the Wholetime Secretary of the company to perform duties which may be performed by a Secretary under the Act and any other purely ministerial and administrative duties as the Board of directors may from time to time assign to the Secretary including the duty to keep the registers to be kept under the Act.

- b) The Board of Directors may at any time appoint a temporary qualified substitute for the whole time secretary who shall to the purpose of these Articles be deemed to be the Secretary.

MANAGING DIRECTOR

159. The company may by Ordinary resolution, or the directors may subject to the provisions of section 197(A), 267 and 269 and other relevant provisions of the Act from time to time appoint one or more of the directors to be the Managing Director or Managing Directors or other Wholetime Directors of the company for a term not exceeding five years at a time and may from time to time, subject to the provisions of any contract between him or them and the company remove or dismiss him or them from office and appoint another or other in his or their place or places.
160. A Managing Director, Executive Director or wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a director for the purpose of determining the rotation of, retirement of Directors or in fixing the number of Directors to retire, but subject to the provisions of any contract between him and the company he shall be subject to the same provisions as to resignation and removal as the other directors of the company and he shall IP SO FACTO and immediately, cease to be a Managing Director if he ceases to hold Office of Director from any cause.
161. Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, the remuneration of the Managing director shall be fixed by the Company in General meeting and may be way of fixed remuneration or at a specified percentage of the net profits of the company or both provided that such percentage shall not exceed five for any one such Managing director and ten for all of them together.
162. The directors may subject to the provisions of section 291 to 297 of the Act and these Articles from time to time entrust to and confer upon a Managing director for the time being such of the powers for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient; and they think may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf; and may from time to time revoke, withdraw, alter or vary any of such powers.

COMMON SEAL

163. a) The Board shall provide a common seal ("The Seal") for the purposes of the Company, and shall have powers from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being.
- b) The seal shall not be affixed to any instrument except by authority of a resolution of the Board or one of its Committees and unless the Board otherwise determines every deed or other instrument to which the seal is required to be affixed shall unless the same is executed by a duly constituted attorney for the company, be signed by a Director and Secretary or such other person as the Board may appoint

for the purpose at least in whose presence the seal shall have been affixed, provided nevertheless that any instrument bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity in the affixture thereof.

- c) The foregoing provisions of this Article shall not apply to the affixing of the seal to share certificate under these Articles.

DIVIDENDS AND RESERVES

164. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors. No dividend shall be declared or paid except out of the profits of the Company after providing depreciation in accordance with section 205 of the companies Act, 1956 subject however to the provisions of the Act as amended and in force from time to time.
165. Subject to the provisions of Section 205 and section 205 (2A) of the Act, the Directors may, before recommending any dividend set aside out of the profits of the Company such sums as they think proper, as a reserve which shall at the discretion of the Directors be applicable for repayment of debentures, meeting contingencies or for equalising dividends, or for any other purpose to which the profits of the Company may be properly applied and pending such applications any, at the like discretion either be employed in the business of the Company, or be invested in such investment (other than shares of the Company) as the Directors may from time to time think fit.
166. a) Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be paid according to the amount paid up on the shares. No amount paid on a share in advance of calls shall be treated for the purpose of this Article as paid up on the share.
- b) The Board of Directors may retain the dividends payable upon shares in respect of which any person, under Article 39, is entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.
- c) No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, or otherwise howsoever, either alone or jointly with any other person or persons, and the Board of Directors may deduct from the interest or dividend payable to any member all sums or money so due from him to the Company.
- d) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
- e) Unless otherwise directed, any dividend may be paid by cheque or by warrant or by a payslip or receipt having the force of a cheque or warrant, sent through the post to the registered address of the Member or person entitled or in the case of joint-holders to that one of them first named in the Register of Members in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
167. Subject to the provisions of the Act, the Company shall pay to the members such interim dividends as appear to the directors to be justified by profits of the Company.

CAPITALISATION OF RESERVES

168. The Company in General Meeting may at any time and from time to time pass a resolution that any sum not required for the payment or provision of any fixed preferential dividend, if any and for the time being standing to the credit of any reserve amount of the Company including any sum carried to reserve as result of a sale or revaluation of the assets of the Company or any part thereof, or any premia received on the issue of any shares or debentures of the Company, or being undivided net profits in the hands of the Company, be capitalised and such sum be appropriated as capital to and amongst the shareholders in the shares and proportions to which they would have been entitled thereto if the same has been distributed by way of dividend and in such manner as the Resolution may direct and such Resolution apply such sum in paying up in full any unissued shares in the capital of the Company on behalf of the shareholders aforesaid, and appropriate such share to, and distribute the same credited as fully paid up amongst such shares in the proportions aforesaid in satisfaction of their shares and interests in the said capitalised sum, or shall apply such sum or any part thereof on behalf of the shareholders aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued shares held by such shareholders or otherwise deal with such sum as directed by such resolution, and when any difficulty arises in regard to the distribution, they may settle the same as they think expedient and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any specific assets in trustees upon trust for such of the persons entitled to the dividend as may seem expedient to the Directors. Where required the Directors may appoint any person to sign any contract thereby required on behalf of the person entitled to the dividend and such appointment shall be effective.
169. If several persons are registered as joint holders of any shares any one of them may be given an effectual receipt of any dividend payable on the shares.
170. Notice of any dividend that may have been declared shall be given to the persons entitled to the shares therein mentioned.
171. No dividend shall bear interest against the Company.

UNCLAIMED DIVIDENDS

172. No unclaimed dividends shall be forfeited by the Board and the Company shall comply with the provisions of section 205 (A) of the Act in respect of such dividends. The Company shall further comply with section 206A of the Act in respect of shares which at the time of declaration remain pending with the Company for registration.

BOOKS OF ACCOUNTS

173. The Directors shall cause to be kept proper books of account with respect to:
- a) all sums of moneys received and expended by the Company and the matters in respect of which the receipt and expenditure take place.
 - b) all sales and purchases by the Company.
 - c) the assets and liabilities of the Company.

174. The books of account shall be kept at the office or at such other place as the Board shall decide and shall always be open to the inspection of the Board during business hours.
175. The Board shall from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.
176. The Board shall cause the Annual Accounts and Balance sheet to be prepared and laid before the Company in General Meeting in accordance with sections 210 and 211 of the Act.
177. There shall be attached to every Balance sheet of the Company the report of the Board in compliance with section 217 of the Act, in respect of furnishing copy of the Balance Sheet, Profit and Loss Account, Auditors Report and every document required by way to be annexed or attached to such Balance Sheet the Company shall comply with the provisions of section 219 of the Act.

AUDITORS

178. The Company shall, at each General Meeting, appoint an Auditor or Auditors to hold office until the next annual General Meeting.
179. The Board may fill any casual vacancy in the office of auditor but while such vacancy continues the surviving or continuing auditor or auditors, if any, may act.
180. The remuneration of the auditors shall be fixed by the Company in General Meeting except that the remuneration of any auditors appointed to fill up any casual vacancy may be fixed by the Board.
181. The auditors shall be appointed and their duties regulated in accordance with section 224 to 229 of the Act or any statutory modification thereof for the time being in force.

NOTICES AND DOCUMENTS

182. a) Subject to the provisions contained in Section 53 of the Companies Act 1956 as amended, notice or Documents may be given by the Company to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address in the Indian Union) to the address, if any within the Indian Union supplied by him to the Company for giving of notices to him. Notices to be served on the Company by members shall be deemed to be properly served by leaving the same at the office.
- b) Where a notice or document is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.
- c) A document or notice advertised in a newspaper circulating in the neighborhood of the Office of the Company shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him.

- d) Any document or notice to be served or given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint, and such signature may be written or printed or lithographed whilst any money is due or owing from to the Company in respect of such shares or shares.
 - e) All documents or notices to be served or given by members on or to the Company or any officer thereof shall be served or given by 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 at its Registered office.
183. If a member has no registered address within the Indian Union and has not supplied to the Company an address within India for the giving of notice to him,, a notice addressed to him and advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be notice duly given to him on the day on which advertisement appears.
184. A notice or document may be given by the Company to the joint holders of shares by giving it to the joint holder named first in the Register in respect of such shares.
185. A notice may be given by the Company to the persons entitled to the share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignees of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the deed or insolvency had not occurred.
186. Notice of every General Meeting shall be given in some manner hereinbefore authorised to:
- a) every member of the Company except those members, who are having no registered address within India have not supplied to the Company an address within India for the purpose of giving notice to them, and
 - b) also to every person entitled to share in consequence of the death or insolvency of a member who, but for his death or insolvency would be entitled to receive notice of the meeting.

WINDING UP

187. If the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid up capital or capital deemed to be paid up such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or deemed to be paid up, at the commencement of the winding up, on the shares held by them respectively, and if in a winding up the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid up or deemed to be paid up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the capital paid or deemed to be paid up at the commencement of the winding up on the shares held them respectively. Where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest such capital shall be exclude and shall be repayable in full before any distribution is made on paid up capital or capital deemed to be paid up together with interest the rate agreed upon. The provisions of this Article shall be subject to any

special rights or liabilities attached to any special class of shares forming part of the capital of the Company.

188. The liquidators may, with the sanction of a special resolution, divide amongst the members in specie the whole or any part of the assets of the Company.

INDEMNITY AND RESPONSIBILITY

189. Every officer or agent for the time being Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 633 of the Act in which relief is granted to him by the court.

SECRECY CLAUSE

190. a) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery or trade or secret process, which may relate to the conduct of the business of the Company and which, in the opinion of the Directors or Managing Director it will be inexpedient in the interest of the members of the Company generally to disclose or to communicate to the public.
- b) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy regarding all transactions and affairs of the Company with the customers and the state of the accounts with individual and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order, to comply with any of the provisions in these presents contained.

Sl. No. Signature, Names, Addresses
Description and
Occupation of the
Subscribers

Signature, Name, Address
Description and
Occupation of the
witness

1. Sd/-
SUDERSHAN PARAKH
S/o. Bachhraj Parakh
1 Krishnappa Maistry St.,
MADRAS 600 003.

INDUSTRIALIST

HITESH K. CHANDRANA
S/o. Khansukhbhai
H.K. Chandrana & Co.,
Chartered Accountants
137 Nainiappa Naicken
Street
2nd Floor
MADRAS 600 003.

CHARTERED ACCOUNTANT

2. Sd/-
MANJU PARAKH
W/o. Sudershan Parakh
1 Krishndapa Maistry St.,
MADRAS 600 003.

HOUSE WIFE.

PLACE: MADRAS.

DATED: 26th April 1989.