

*Memorandum*

AND

*Articles of Association*

OF

**SOMA TEXTILES & INDUSTRIES LIMITED**

(AMENDED UPTO 9<sup>TH</sup> SEPTEMBER, 2013)





**SECOND**  
**CERTIFICATE OF INCORPORATION**  
**CONSEQUENT OF CHANGE OF NAME**  
**COMPANY NO. 21-10070**

I hereby certify that R. B. RODDA & CO. LIMITED, which was originally incorporated on Twenty-Ninth day of March, 1940 under the Indian Companies Act, 1913 and under the name R. B. RODDA & CO. LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Department of Company Affairs.

Registrar of Companies, W. B., letter No. NCR/CN/10070/91 dated 19.12.1991 the name of the said company changed to M/S. SOMA TEXTILES & INDUSTRIES LIMITED and a fresh certificate of incorporation consequent on change of name was issued to the company on 21.1.1992 pursuant to section 23 (1) of the said Act.

Issued at Calcutta this the Sixth day of October One thousand nine hundred and Ninety-Four.



Sd/-

सहायक कम्पनी रजिस्ट्रार  
Asstt. Registrar of Companies  
पश्चिम बंगाल, West Bengal



नाम में तब्दीली के परिणामस्वरूप निगेमन के लिये नया प्रमाण-पत्र ।  
FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME  
कम्पनियों रजिष्ट्रार के कार्यालय में .....

[ कम्पनी अधिनियम 1956 (1956 का 1) के अधीन]  
In the Office of the Registrar of Companies, West Bengal.  
[Under the Companies Act, 1956 (1 of 1956)]

..... के बिषय में ।

IN THE MATTER OF \* R. B. RODDA & CO. LTD.

में एतद्वारा प्रमाणित करता हूँ कि ..... परिसीमित जिसका निगमन  
मूलतः 19 ..... के ..... के ..... दिन इस ..... अधिनियम के  
अधीन और परिसीमित नाम द्वारा किया गया था कम्पनी अधिनियम 1956 की धारा 21/22(1) (क)  
/ 22(1) (ख) के निर्बन्धनों के अनुसार आवश्यक संकल्प पारित कर चुकी है और इसकी वाक्त केन्द्रीय  
सरकार की लिखित अनुमतिकम्पनी कार्य विभाग द्वारा प्रदान कर दी गई है।

I hereby certify that R. B. Rodda & Co. Limited which was originally incorporated  
on Twenty Ninth day of March, 1940 under the Companies Act, 1913 and under  
the Name of R. B. Rodda & Co. Limited having duly passed the necessary resolution  
in terms of section 21/22(1)(a)/22(1)(b) of Companies Act, 1956, and the approval  
of the Central Government signified in writing having been accorded thereto in the  
Department of Company Affairs.

क्षेत्रीय निर्देशक के तारीख ..... 19 ..... के पत्र सं ..... द्वारा  
प्राप्त हो जाने पर उक्त कम्पनी का नाम इस दिन ..... परिसीमित में तब्दील कर  
दिया गया है और यह प्रमाण पत्र उक्त अधिनियम की धारा 23 (1) के अनुसरण में जारी किया जाता  
है।

Registrar of Companies letter No. NCR/CN/10070/91 dated 19.12.91  
the name of the said Company is this day changed to Soma Textiles & Industries  
Limited and this certificate is issued pursuant to section 23(1) of the said Act.

मेरे हस्ताक्षर से यह तारीख .....  
को दिया गया ।

Given under my hand at Calcutta, Twenty First January 1992 (One thousand  
nine hundred Ninety two)



Sd/-

K. ANAND RAO

कम्पनियों का रजिष्ट्रार

Asstt. Registrar of Companies  
(W. B.)

★ यहाँ पर कम्पनी का वह नाम लिखिए जो कि तब्दीली से पूर्व था ।

★ Here give the name of the Company as existing prior to the change.

● यहाँ पर अधिनियम (अधिनियमों का नाम लिखिए जिनके अधीन कम्पनी का मूलतः रजिष्ट्रीकरण  
ओर निगमन किया गया था ।

● Here give the name of the Act(s) under which the Company was originally  
registered and incorporated.

जे०एस०सी०-7  
J. S. C.-7



## **Certificate of Incorporation**

**No. 9231 of 1939-1940**

I hereby certify that R. B. RODDA & CO. LTD. is this day incorporated under the Indian Companies' Act, VII of 1913, and that the Company is Limited.

Given under my hand at CALCUTTA this TWENTYNINTH day of March one thousand nine hundred and forty.

The Seal of  
the Registrar  
of Joint Stock  
Companies,  
BENGAL

**Sd/- N. K. MAJUMDER**  
Registrar of Joint Stock Companies,  
Bengal

# *Memorandum of Association*

OF

## **SOMA TEXTILES & INDUSTRIES LIMITED**

1. The name of the Company is SOMA TEXTILES & INDUSTRIES LIMITED.
2. The Registered Office of the Company will be situated in Bengal.
3. The objects for which the Company is established are as follows :-
  - (1) To purchase all or any of the assets of and the goodwill of the business of Gunsmiths Boat-builders contractors and merchants carried on by Messrs. R.B. Rodda & Co. Ltd., at Calcutta in India, and with a view thereto to enter into and carry into effect (either with or without modification) an agreement, which has already been prepared, and is expressed to be made between Frederick Barton Prike of the one part and the Company of the other part, a copy whereof has for the purpose of identification be endorsed with the signature of Harry Arthur Fowler, Solicitor.
  - (2) To carry on the trade or business of arms and ammunition manufactures and dealers and for that purpose to manufacture purchase load and sell and generally deal in arms of all kinds, cartridges, cartridge cases, detonators, fuses and other substances and things required for or incidental to the carrying out of the above objects or any of them.
  - (3) To carry on the trade or business of manufacturers of explosives of every description, gunpowder, nitroglycerine, dynamite, gun cotton, blasting powder or other substances or things and to purchase, manufacture, sell and generally deal in explosives and all materials, substances and things required for or incidental to the manufacture, preparation, adaptation. Use or working of explosives or the packing, storing, firing, carrying or disposition thereof.
  - (4) To carry on the trade or business of marine engineers, owners, buyers, sellers, converters, letters for hire, builders and repairers of ships, steam and motor launches and barges, iron and steel bridge boats and any sea-going or other vessels.
  - (5) To carry on the trade or business of manufacturers, importers and exporters of any dealers in and repairers of engines, machinery, rolling stock, implements tools, utensils, appliances and apparatus of all kinds.
  - (6) To construct and maintain for the use of the Company or for letting out on hire, graving and other docks and other conveniences for the building, repairing or docking of ships, launches, boats, barges, and other vessels and to aid in or contribute to the construction of any such works.
  - (7) To buy, sell, take or let on hire, Import, export, manufacture, manipulate, treat, prepare for market and deal in merchandise, commodities and articles of all kinds, and generally to carry on business as merchants, importers and exporters.



- (7A) To carry on the business of growing, cultivating processing, combing, preparing, ginning spinning weaving, dying, bleaching, printing manufacturing, bailing, pressing, selling, buying and otherwise dealing in Cotton Kapas, yarn, cotton waste, yarn waste, cotton cuttings, cotton rejections, artificial fibres silk, jute, hemp, flax, linen, cloth and other fabrics whether textile felted netted or looped made from raw cotton silk, flax, hemp, jute, wool any artificial fibre and other material and to erect maintain or otherwise acquire and work mills and factories for the purpose.
- (7B) To carry on the business of manufacturing buying selling, importing, exporting distributing processing, exchanging, converting, altering, twisting or otherwise handling or dealing in cellulose viscose rayon yarns and fibres, synthetic fibres and yarn staple fibre yarns and such other fibres or fibrous materials, transparent paper and auxilliary chemical products allied products byproducts or substances or substitutes for all or any of them or yarn or yarns for textile or other use as the company may deem necessary expedient or practicable.
- (7C) To manufacture, prepare, import, export, buy, sell and otherwise deal in all kinds of glass, glass-ware, glass goods, mirrors, looking-glass, scientific glasswares, sheet and plate glass, bangles, false pearls, bottles, phials and all kind of articles prepared of glass and to carry on the business of glass leveller, glass embosser, glass tablet.
- (7D) To produce, manufacture, refine, prepare, import, export, purchase, sell, treat and generally to deal in all kinds of sanitaryware (including sanitaryware made of plastic, fibre-glass or any other synthetic product), earthenware, stoneware, glass china, terra cotta, porcelain, products, bricks, tiles, pottery, pipes, insulators refractories of all description and or by products thereof.
- (7E) To product, manufacture, purchase, refine, prepare, import, export, sell and generally to deal in alumina cement, lime and limestone and connection therewith to acquire erect, construct, establish, operate and maintain lime-stone quarries.
- (7F) To amalgamate, to merge or to enter into partnership or into any arrangements for sharing profits into any union of interest, joint-venture, reciprocal concession or co-operation with any person or persons or company or companies carrying on, or engaged in, or about to carry on or engage in, or being authorised to carry on or engage in, any business or transaction which this company is authorised to carry on or engage in.
- (7G) To carry on the business as manufacturers, producers, printers, dyers, weavers, processors, fabricators, assemblers, ginners, bleachers, balers, knitters, pressers, carders, sizers, spinners, woolcombers, worsted packers, reelers, refiners, distributors, traders, dealers, agents, brokers, financiers, buyers, sellers, importers and exporters of natural and man-made fibre including cotton staple fibre, synthetic viscose, artificial silk, jute silk, hemp, wool, liner, nylon, terelene, cotton and synthetic waste or any other fibrous materials and yarn whether blended, spun, filament or otherwise including floor cloth, American cloth, tarpaulins, table cloth, upholstery, curtains, water proofing goods and articles, dress linings and synthetic materials, knitted products, garments, readymade or otherwise including shirts, bush shirts, pyjama suits, pants, uniform for the Army, Navy, Airforce and other personal safaries, suits, coats, hosiery vests under garments for men, women and children made-ups shawls, sweaters, laces, stockings, mats, rugs, blankets, packing materials, tapes, sacks, fabrics whether textile, felted, netted or looped.

**(Resolution passed through Postal Ballot Paper on September 17, 2007)**

- (8) To take on lease, hire purchase or otherwise acquire and maintain any lands, rights over or connected with lands, buildings, works, plant, machinery, apparatus, stock-in-trade and immoveable or moveable property of any description and any patents, inventions, rights or privileges, which may be deemed necessary or convenient for any business which the Company is authorised to carry on, or otherwise turn to account and to use, exercise, develop or grant licenses in respect of the property, rights, or information so acquired.
- (9) To erect, construct, maintain or alter, or assist in the erection, construction, maintenance or alteration of any building, erections, works, and to pull down, alter and rebuild any buildings, erections or works acquired by the Company.
- (10) To lease, let out on hire, mortgage, pledge, sell or otherwise dispose of the whole or any part of the undertaking of the Company, or any land, business, property, rights or assets of any kind of the Company, or any share or interest therein respectively, in such manner and for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other corporation having objects altogether or in part similar to those of the Company.
- (11) To pay any premiums or salaries and to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash, or in shares, bonds, debentures or other securities of the Company, and to issue any such shares either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and to charge any such bonds debentures or other securities upon all or any part of the property of the Company.
- (12) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
- (13) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company, or its predecessors in business or the dependants or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance of such persons, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object.
- (14) To enter into any arrangement with any Government, or authority, supreme, municipal, local, otherwise, that may seem conducive to the Company's objects or any of them, and obtain from any such Government or authority, all rights, concessions, and privileges,

which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.

- (15) To pay all or any costs, charge and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (16) To purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any person or corporation carrying on any business, which the Company is authorised to carry on, or possessed or property suitable for the purpose of the Company.
- (17) To promote any other company for the purpose of acquiring all or any of the property of this Company or advancing directly or indirectly the objects or interests thereof, and to take or otherwise acquire and hold shares in any such company, and to guarantee the payment of any debentures of other securities issued by any such company.
- (18) To take or otherwise require and hold shares in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (19) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint-adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or be engaged in any business or transaction which this Company is authorised to carry on or engage in, or any business or transactions capable of being conducted so as directly or indirectly to benefit this Company, and to take or otherwise acquire and hold shares or stock in any such company.
- (20) To draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange and other negotiable or transferable instruments.
- (21) To invest moneys of the Company not immediately required upon such securities as may time to time be determined.
- (22) To lend money to such persons and on such terms as may seem expedient and in particular, to customers of and other person having dealings with the Company, and to guarantee the performance of contracts by members of or persons having dealings with the Company.
- (23) To appoint Agents and Managers and constitute Agencies of the Company in India or any other country whatsoever.



- (24) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and, in particular, by the issue of debentures charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem or pay off any such securities.
- (25) To pay brokerage or commission to any person or persons in consideration of his or their subscribing, or agreeing to subscribe, whether absolutely or conditionally, for any shares or debentures of the Company, or procuring or agreeing to procure subscriptions whether absolute or conditional for the same, which brokerage or commission may be paid either in cash or in debentures or shares of the Company credited as fully or partly paid up.
- (26) To distribute any of the Company's property among the members in specie.
- (27) To do all or any of the above things in any part of the world, and either as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise.
- (28) To do all such other things as are incidental or as the Company may think conducive to the attainment of the above objects or any of them.

And it is hereby declared that the objects specified in each paragraph of this clause shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

4. The liability of the Members is limited.

5. The Authorised Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty Crores Only), divided into 4,00,00,000 (Four Crores) Equity Share of Rs. 10/- each amounting to Rs.40,00,00,000/- (Rupees Forty Crores Only) and 10,00,000 (Ten Lacs) 0.01% Cumulative Redeemable Non-convertible Preference Shares of Rs. 100/- each amounting to Rs.10,00,00,000/- (Rupees Ten Crores Only), with power to increase or reduce the Capital of the Company and to divide the Shares in the Capital for the time being in to several classes and to attach thereto respectively any Preferential, deferred, qualified or special rights privileges conditions and restrictions thereto, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privilege conditions or restrictions in such manner as may be for the time being permitted by the Articles of Association of the Company and the legislative provisions for the time being in force in that behalf.

Resolution Passed at the Annual General Meeting held on 9<sup>th</sup> September, 2013.



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

Name, Address and Descriptions of Subscribers	Number of Shares taken by each Subscribers
FREDERIC BARTON PRIKE 2, Wellesley Place, Calcutta, Gunsmith	One
ERNEST PARKINSON 2, Wellesley Place, Calcutta, Gunsmith	One
Total	Two

Dated the 29th day of March, 1940

WITNESS to the above signatures :—

H. A. Fowler,  
Solicitor,  
Calcutta

# Articles of Association

OF

## SOMA TEXTILES & INDUSTRIES LIMETED

(Adopted by special Resolution, passed at the extraordinary general Meeting  
of the company held on the 10th day of April, 1969)

### PRELIMINARY

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

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

"The Act" means the Companies Act, 1956.

"These Articles" means these Articles of Association as originally framed or as from time to time altered by Special Resolution.

"The Company" means SOMA TEXTILES & INDUSTRIES LIMITED.

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

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

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

"Dividend" includes bonus but excludes bonus shares.

"Month" means Calendar month.

"Year" means a calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.

"Proxy" includes Attorney duly constituted under a Power of Attorney.

"Seal" means the Common Seal of the Company.

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

Words importing the singular number only include the plural number and vice-versa.

Words importing the masculine gender only include the feminine gender.

Words importing persons including corporations.

Table "A" not  
to apply.

2. Save as provided herein, the regulations contained in Table "A" in Schedule I of the Act shall not apply to the Company.

### SHARES

Allotment  
of shares.

3. Subject to the provisions of these Articles and of Section 81 of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions, and at such times as the Directors think fit. Provided that the option or right to call of shares shall not given to any person except with the sanction of the Company in General Meeting.

Returns of  
Allotments.

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

Commission  
placing shares.

5. The Company may, subject to compliance with the provisions of Section 76 of the Act, exercise the power of paying commission.

Brokerage.

6. The Company may pay on the issue of shares or debentures such brokerage as may be lawful.

Shares at a  
discount.

7. With the previous authority of the Company in General Meeting and the sanction of the Court and upon otherwise complying with section 79 of the Act, the Directors may issue at a discount shares of a class already issued.

Redeemable  
Preference  
shares.

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

Instalments on  
shares to be  
duly paid.

9. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the member registered in respect of the share or by his executor or administrator.

Liability of  
Joint holders  
of shares.

10. Members who are registered jointly in respect of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share.

Number of joint  
holders.

11. Not more than four persons shall be registered as joint-holders of any share.

Trusts not  
recognised.

12. Save as herein otherwise provided, the Company shall be entitled to treat the member registered in respect of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.

### CERTIFICATES

Certificates

13. The Certificate of title of shares and duplicates thereof when necessary shall be issued under the Seal of the Company in accordance with the provisions of Section 84 of the Act and the Rules prescribed by the Central Government for the said purposes as in force from time to time.



14. Every member shall be entitled to one certificate for all the shares registered in his name, or if the Directors so approve, to several Certificates each for one or more of such shares.

Members' right to certificates.

15. The Certificate of shares registered in the name of two or more persons shall be delivered to the person first named on the Register.

To which of joint-holders certificates to be issued.

#### DEMATERIALISATION OF SECURITIES

15A. For the purpose of this Article.

Definitions.

"Beneficial Owner" means a person or persons whose name is recorded as such with a Depository.

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

"Depository" means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the SEBI Act, 1992.

"Depositories Act" means the Depositories Act, 1996 or any statutory modification or re-enactment thereof;

"Registered Owner" means a Depository whose name is entered as such in the records of the Company;

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

(2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise/rematerialise its securities and to offer securities in the dematerialised form pursuant to the Depositories Act and the Rules framed thereunder, if any.

Dematerialisation /Rematerialisation of Securities.

(3) Every person subscribing to Securities offered by the Company shall have the option to receive Security Certificates or to hold the Securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of Securities. Where a person opts to hold his security with a Depository the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Options for Investors

(4) All securities held by a Depository shall be dematerialised and shall be in fungible form. No Certificate shall be issued for the securities held by the Depository. Nothing contained in Section 153, 153A, 153B, 187B, 187C, and 372 of the Companies Act, 1956 shall apply to a depository in respect of the Securities held by it on behalf of the beneficial owners.

Securities in Depositories to be in fungible form.

(5) Nothing contained in Section 108 of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by a transferor and transferee, both of whom are entered as beneficial owners in the records of a Depository.

Transfer of Securities.



Allotment of Securities dealt with a Depository.

- (6) Notwithstanding any thing contained in the Act of these Articles, where the securities are dealt with in or by a Depository, the Company shall intimate the details of allotment of relevant securities to the Depository immediately on allotment of such securities.

Distinctive Nos of Securities held in a Depository.

- (7) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

Register and Index of Beneficial Owners.

- (8) The Register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be the Register and Index of members and other security holders for the purposes of these Articles.

Rights of Depositories and Beneficial owners.

- (9) (a) Notwithstanding anything to the Contrary contained in the Companies Act, 1956 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all liabilities in respect of their securities which are held in or by the Depository.

Service of documents.

- (10) Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the company by means of electronic mode or by delivery of floppies or discs.

**Resolution passed at the Annual General Meeting held on September 26, 2000.**

#### CALLS

Calls.

16. The Directors may, from time to time, subject to the terms on which any shares may have been issued and subject to Section 91 of the Act, 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 each member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Directors. A call may be made payable by instalments, and shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

Restriction on power to make calls and notices.

17. No call shall be made payable within one month after the last preceding call was payable. Not less than fourteen days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

When interest on call or instalment payable.

18. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the

instalment shall be due shall pay interest for same at the rate of 12 percent per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine. The Directors shall be at liberty to waive payment of any such interest wholly or in part.

19. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provision herein contained in respect of calls shall relate to such amount of instalment accordingly.

Amount payable at fixed times or by instalments payable as calls.

20. On the trial or hearing of any action or suit brought by the Company against any share-holder or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register or share-holders of the Company as a holder, or one of the holders, of the shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call, or nor that a quorum of Directors was present at the meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence in actions by Company against shareholders.

21. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the money so paid in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate as the Directors think fit. Money so paid in excess of the amount of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the Company. The Directors may at any time repay the amount so advanced upon giving to such member not less than three months notice in writing.

Payment of calls in advance.

22. A call may be revoked or postponed at the discretion of the Directors.

Revocation of Call.

#### FORFEITURE AND LIEN

23. If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and expenses that may have been incurred by the Company by reasons of such non-payment.

If call or instalment not paid notice may be given.

24. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time, and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.

Form of Notice.

25. If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given, may at any time there after before payment of all calls or instalments, interest and expenses,

If notice not complied with share may be forfeited.

due in respect thereof be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice after forfeiture.

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

Forfeited share to become property of the Company.

27. Any share so forfeited shall be deemed to be the property of the Company and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit.

Power to annul forfeiture.

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

Liability on forfeiture.

29. Any member whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, such forfeiture be liable to pay and shall forthwith pay to the Company, all calls instalments, interest and expenses, owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at the rate of 12 percent per annum or at such other rate as the Directors may determine and the Directors may enforce payment thereof, or any part thereof, without any deduction or allowance for the value of the shares at the time of forfeiture shall not be under any obligation to do so.

Evidence of forfeiture.

30. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the person to whom the shares are sold shall be registered as the holder of such shares and shall be neither bound to see to the application of the purchase money nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

Forfeiture provision to apply to non-payment in terms of issue.

31. The provisions of Articles 23 to 30 hereof shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of a share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

Company's lien on shares.

32. The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such share whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 12 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

33. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien :

As to enforcing  
lien by sale.

Provide that no sale be made —

- (a) unless a sum in respect of which the lien exists is presently payable, or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

34. (1) To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof.

Validity of sale.

(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(3) The purchaser shall be neither bound to see to the application of the purchase money, nor shall his title to the shares be effected by any irregularity or invalidity in the proceeding in reference to the sale.

35. (1) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

Application of  
sale proceeds.

(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person — entitled to the shares at the date of the sale.

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

Directors may  
issue new  
Certificates.

#### TRANSFER AND TRANSMISSION

37. (1) Subject to the provisions of Section 108 of the Act no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the Certificate or, if no such Certificate is in existence, the Letter of Allotment of the share. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.

Registration of  
transfer.

(2) The instrument of transfer shall be in the form prescribed by the Act or the Rules made thereunder or where no such form is prescribed in the usual common form or as near thereto as circumstances will admit.

Form of transfer.

38. Application for the registration of the transfer of a share 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 in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles the Company shall, unless objection is made by the transferee

Application by  
transferor.



within two weeks from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

In what cases Directors may decline to register transfer.

39. Subject to the provisions of Section 111 of the Act, the Directors may, without assigning any reason for such refusal, decline to register any transfer of or the transmission by operation of law of the right to a share. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

No transfer to minor etc.

40. No transfer shall be made to a minor or person of unsound mind.

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

41. Every instrument of transfer shall be left at the office for registration, accompanied by the Certificate of the shares to be transferred or if no such Certificate is existence by the Letter of Allotment of the shares and such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the shares and the transferee shall (subject to the Directors' right to decline to register hereinbefore mentioned) be registered as a member in respect of such shares.

When transfers to be retained.

42. All instruments of transfer which shall be registered shall be retained by the Company, but any instruments of transfer which the Directors may decline to registered shall be returned to the person depositing the same.

Notice of refusal to register transfer.

43. If the Directors refuse to register the transfer of the transmission by operation of law of the right to any shares, the Company shall, within one month from the date of which the instrument of transfer or the intimation of such transmission as the case may be was lodged with the company, send to the transferee and the transferor or to the person giving intimation of such transmission as the case may be the notice of the refusal.

Transmission of registered shares.

44. The executor or administrator of a deceased member (not being one of several joint-holders) shall be the only person recognised by the Company as having any title to the shares registered in the name of such member, and in case of the death of any one or more of the joint-holders of any shares the survivor shall be the only person recognised by the Company as having any title to or interest in such shares but nothing herein contained shall be taken to release the estate of deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator, the Directors may require him to obtain a Grant of Probate or Letters of Administration or other legal representation as the case may be from some competent Court in India and having effect in the place where the Office of the Company is situated. Provided nevertheless that in any case where the Directors, in their absolute discretion, think fit, it shall be lawful for the Directors to dispense with the production of Probate or letters of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Directors, in their absolute discretion, may consider necessary.

As to transfer of shares of insane, minor, deceased or bankrupt members.

45. Any committee or guardian of a lunatic or minor member or any person becoming entitled to or to transfer shares in consequence of the death, bankruptcy or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he process to act under this Article, or of his title as the Directors think sufficient may, with the consent of the Directors, (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This article is hereinafter referred to as "The Transmission Article".



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

Election under  
the Transmission  
Article.

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

(3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of an instrument of transfer of a share shall be applicable to any notice of transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

47. A person so becoming entitled under the Transmission Article to a share of reason of the death, lunacy, bankruptcy or insolvency of a member shall, subject to the provisions of Article 75 and Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he were the member registered in respect of the share.

Right of  
persons entitled  
to shares under  
the Transmission  
Article.

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

47A. (1) Every shareholder or debentureholder of the Company, may at anytime, nominate, in the prescribed manner, a person to whom his/her shares in, or debentures of the Company shall vest in the event of his/her death.

Nomination.

(2) Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company as the case may be, shall vest in the event of death of all the joint holders.

(3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debentureholder or as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

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

Transmission  
of securities  
by nominee.

47B. A nominee, upon production of such evidence as may be required by the Board as per the relevant Law and subject as hereinafter provided, elect, either;

- (1) to be registered himself/herself as holder of the share or debenture, as the case may be; or
- (2) to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture-holder, could have made ;
- (3) If the nominee elects to be registered as holder of the share or debenture, himself/herself, as the case may be he/she deliver or send to the Company, a notice in writing signed by him/her stating that he/she so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;
- (4) a nominee shall be entitled to the same dividends and other advantages to which he/she would be entitled to, if he/she were the registered holder of the share or debenture except that he/she shall not, before being registered as a member in respect of his/her share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

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

Resolution passed at the Annual General Meeting held on September 14, 1999.

#### INCREASE AND REDUCTION OF CAPITAL

Power to  
increase  
capital

48. The Company may from time to time in General Meeting alter the conditions of its Memorandum of Association to increase the capital by the creation of further shares of such amount and class as may be deemed expedient.

On what  
conditions  
further shares  
may be

49. Subject to any special rights or privileges for the time being attached to any issued shares, further shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution creating the same shall direct and if no direction be given, in the manner provided in Section 81 of the Act.

Provision  
relating to the  
issue.

50. Before the issue of any further shares, the Company in General Meeting may, Subject to the provisions of the Act make provisions as to the allotment and issue of further shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium or at a discount.

How far further  
shares to rank  
with shares in  
original capital.

51. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of further shares shall be considered part of the then existing capital and shall be subject to the provisions herein contained with reference to the payment of dividends calls and instalments, transfer and transmission, forfeiture, lien, surrender and, otherwise.

52. If owing to any inequality in the number of further shares to be issued and the number of shares held by members entitled to have the offers of such further shares, any difficulty shall arise in the apportionment of such further shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in General Meeting, be determined by the directors.

Inequality in number of further shares.

53. The Company may from time to time by Special Resolution reduce its capital and any share premium account or capital redemption reserve account in any manner and with and subject to any incident authorised and consent required by law.

Reduction of capital etc.

53A. Notwithstanding what is stated in Article the Company shall if and when permitted by the applicable provisions of the Act and subject to such other approvals, permissions and sanctions as may be necessary, have the powers to purchase any of its own fully paid-up shares, whether or not they are redeemable on such terms and conditions and at such time to as may be provided by law from time to time and may make such a payment out of its capital in respect of such purchases, provided that, nothing herein contained shall be deemed to effect the provisions of Section 100 to 104 and Section 402 of the Companies Act, 1956 in so far as they are applicable.

Resolution Passed at the Annual General Meeting held on September 26, 1997

#### ALTERATION OF CAPITAL

54. The Company may by Ordinary Resolution, from time to time :—

Power to sub-divide and consolidate.

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) sub-divide its shares or any of them into shares of smaller amount than the amount fixed by the memorandum so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken up or agreed to be taken up by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

55. The resolution whereby any share is sub-divided may determine that, as between the members registered in respect of the shares resulting from such subdivision, one or more of such shares shall have some preference or special advantage regards dividend, capital, voting or otherwise over or as compared with the other or others subject nevertheless, to the provisions of Sections 85, 87, 88 and 106 of the Act.

Sub-division into Preference and Equity.

56. Subject to the provisions of Sections 100 to 105 of the Act, the Directors may accept from any member the surrender on such terms and conditions as well as agreed of all or any of his shares.

Surrender.

#### CONVERSION OF SHARES INTO STOCK

57. The company may exercise the power of conversion of its shares into stock and vice versa and in that case Regulations 37 to 39 of Table "A" to Schedule I of the Act shall apply.

Conversion of shares into stock and reconversion.

### SHARE WARRANTS

Power to issue warrants.

58. Subject to the provisions of Sections 114 and 115 of the Act and subject to any directions which may be given by the Company in General Meeting, the Directors may issue, Share Warrants in such manner and on such terms and conditions as the directors may deem fit. In case of such issue, Regulations 40 to 43 of Table "A" to Schedule I of the Act shall apply.

### MODIFICATION OF RIGHTS

Power to modify rights

59. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a Separate Meeting of holders of the shares of that class. To every such Separate Meeting the provisions of these Articles relating to General Meeting shall apply, but so that two members present in person or by proxy shall constitute a quorum at such Separate Meeting or any adjournment thereof and that any holder of shares of that class present in person or by proxy may demand a poll and, on a poll, shall have one vote for each share of the class of which he is the holder.

### BORROWING POWERS

Power to borrow.

60. The Directors may, from time to time, at their discretion raise or borrow and secure the payment of any sum or sums of money for the purposes of the Company and may themselves lend to the Company on security or otherwise.

Conditions on which money may be borrowed.

61. The Directors may raise or secure the repayment or payment of any sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by the creation of any mortgage or charge on the undertaking of the whole or any part of its property, present or future, or uncalled capital of the Company 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.

Issue at discount etc. or with special privilege.

62. Any debenture, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stocks, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except in conformity with the provisions of Section 81 (3) of the Act.

### PROCEEDINGS AT GENERAL MEETING

Extraordinary General Meetings.

63. (1) All general meetings other than annual general meetings shall be called extraordinary general meetings.

(2) The Directors may, whenever they think fit, call an Extra-ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the Directors present in India may call an extraordinary general meeting, in the same manner, as nearly as possible, as that in which such a meeting maybe called by the Directors.



64. The Board of Directors of the Company shall, on the requisition of such member or members of the Company as is specified in sub-section (4) of Section 169 of the Act, forthwith proceed duly to call an extraordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of Section 169 of the Act shall apply.

Calling of Extraordinary General Meeting on requisition

65. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business. For all purposes the quorum for a General Meeting shall be five members present in person.

Quorum.

66. Any Act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or these Articles specifically require such act to be done or resolution passed by a special resolution.

Resolution.

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

Chairman of General Meeting.

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

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

69. Every question submitted to a meeting shall be decided in the first instance by a show of hands and in case of an equality of votes the Chairman shall, both on a show of hands and at the poll, have a casting vote entitled as a member.

How questions to be decided at meetings.

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

Power to adjourn General Meeting.

71. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

In what cases poll taken without adjournment.

72. If a poll be demanded the demand of a poll shall not prevent the continuance of a meeting for the transaction of business other than the question on which a poll has been demanded;

Business may proceed notwithstanding demand of poll.

#### VOTES OF MEMBERS

73. (a) On a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a proxy on behalf of a holder of an Equity Share or as a representative

Votes of members.



of a body corporate (in accordance with Article 74) being a holder of an Equity Share if he is not entitled to vote in his own right shall have one vote.

(b) On poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.

(c) The holder of a Preference Share shall not be entitled to vote at general meeting of the Company except as provided for in Section 87 of the Act. At any meeting at which or upon any question which holders of the said Preference Shares are entitled to vote the said Preference Shares shall on a show of hands and on a poll confer the same voting rights Equity Shares.

(d) No company or body corporate shall vote by proxy so long as a resolution of its Board of Directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

Procedure  
where a  
company is a  
member of the  
Company.

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

Votes in respect  
of deceased,  
insane and  
insolvent  
members.

75. Any person entitled under the Transmission Article to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case maybe at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non composmentis, he may vote (whether by a show of hands or at a poll) by his committee, *curator bonis* or other legal curator and such last mentioned persons may give their votes by proxy.

Joint-holders.

76. Where there are joint registered holders of any share, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he was solely entitled thereto; and if more than one of such jointholders be present at any meeting either personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall, for the purposes of this Article, be deemed joint-holders thereof.

Instrument  
appointing  
proxy to be  
in writing.

77. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorised in writing or if such appointer is a body corporate under its common seal or the hand of its Attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a Special Proxy. Any other proxy shall be called a General Proxy.

78. 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 at the Office not less than forty-eight hours before the time for holding the meeting at which the person name in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

Instrument appointing a proxy to be deposited at the office.

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

When vote by proxy valid through authority revoked.

80. Every instrument appointing a Special Proxy shall as nearly as circumstances admit, be in any of the forms set out in Schedule IX to the Act.

Form of instrument appointing a special proxy.

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

Restriction on voting.

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

Validity of vote.

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

#### DIRECTORS

83. Until otherwise determined by the Company in General Meeting, the number of Directors of the Company shall not be less than three nor more than eleven.

Number of Directors.

84. The persons hereinafter named are the First Directors of the Company:

First Directors.

1. Shri H.L. Somany
2. Shri O.M. Somany
3. Smt. Ganga Somany

85. If at any time the Company obtains any loans from any financial institution and/or any Central or State Government (referred to in this Articles as "the Corporation") or enters into underwriting arrangements with the Corporation and it is a term of such loan or of the underwriting arrangement that the Corporation shall have the right to appoint one or more Directors then subject to the terms and conditions of such loan or underwriting arrangements the Corporation shall be entitled to appoint one or more Directors, as the case may be, to the Board of Director so appointed and to appoint another in his place or in the place of a Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be signed by the Corporation or by any person duly authorized by it and shall be served at the Office of the Company. The Director or Directors so appointed shall not be liable to retire by rotation of Directors in accordance with the provisions of these Articles.

Non-retiring Director.

Share  
qualification of  
Directors

86. The Directors shall not be required to hold any qualification shares.

87. Unless otherwise determined by the Company in General Meeting each Director shall be entitled to receive out of the funds of the Company for each meeting of the Board or a Committee thereof attended by him such fee as may from time to time determined by the Board but not exceeding such sum as may from time to time be prescribed by or under Act and applicable to the Company. Subject to the provisions of Section 309(4) of the Act the Directors shall also be entitled to receive a commission at such rate as may from time to time be determined by the Company in General Meeting but not exceeding 3% of the net profit of the Company in each Financial year (to be computed in the manner prescribed in Section 198 of the Act) in such proportion as may be determined by the directors from time to time and in default of determination in equal proportions. The Company may pay to any Director who for the time being is resident out of the place at which any meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting and also to any Director in respect of any other journeys made by him for and on behalf of the Company, his traveling, boarding, lodging and other incidental expenses in respect of such meeting and/or journeys.

**Resolution passed at the Annual General Meeting held on 31<sup>st</sup> October, 1989**

Remuneration  
for extra  
services.

88. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company or in giving special attention to the business of the Company or as member or a committee of the Directors, then, subject to Sections 198, 309 and 310 of the Act, the Directors may remunerate the Director so doing either by a fixed percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

Directors may  
act not  
withstanding  
vacancy.

89. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum number above fixed, the Directors shall not, except for the purpose of filling vacancies, or for summoning a general meeting of the Company, act so long as the number is below the minimum.

Conditions of  
contract with  
Company

90. Subject to the provisions of Section 297 of the Act, a Director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services of for under writing the subscription

of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director or a firm in which such Director or relative is partner or with any other partner in a firm or with a private Company of which such Director is a member or Director be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

#### APPOINTMENT OF DIRECTORS

91. The Directors shall have power at any time and from time to time to appoint any person as a Director as an addition to the Directors but so that the total number of Directors shall not any time exceed the maximum number fixed by the Articles; any director so appointed shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election.

Power of  
Directors to add  
to its number.

92. Any casual vacancy occurring among the Directors may be filled up by the Directors but any person so chosen shall retain his office so long only as the vacating director would have retained the same if no vacancy had occurred. Provided that the Directors shall not fill a casual vacancy by appointing any person who has been removed from the office of a Director of the Company.

Directors may  
fill up casual  
vacancies

93. The Directors may appoint any person to act as alternate Director for a Director during the latter's absence for a period or not less than three months from the State in which meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly; but he shall *ipso facto* vacate office if and when the absent Director returns to the State in which meetings of the Directors are ordinarily held or the absent Director vacates office as a Director.

Power to appoint  
alternate  
Director.

#### PROCEEDINGS OF DIRECTORS

94. The Directors shall meet together at least once in every three months for the despatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit. Notice of every meeting of the Directors together with the agenda of the business to be transacted thereat shall be given in writing by a director or such other Officer of the Company duly authorised in this behalf to every Director whether within or outside India. Such Notice shall be sent by registered air mail post or by cable so as to reach the addressee thereof in the normal course at least seven days before the date of the meeting unless all the Directors agree by prior consent accorded in writing or by a cable of such meeting being held on shorter notice. Provided that where an alternate Director has been appointed it shall be sufficient for purposes of this Article to send notice to or obtain the consent of such alternate Director only.

Meeting of  
Directors.

95. The quorum for a meeting of the Directors shall be determined from time to time in accordance with the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Directors, the meeting shall be adjourned until such date and time as the Directors present shall appoint.

Quorum.



Decision.

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

Chairman of Board of Directors.

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

Powers to Quorum.

98. The meeting of the Directors at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles or the Act for the time being vested in or exercisable by the Directors generally.

Powers to appoint Committee and to delegate.

99. The Directors may, from time to time, subject to the provisions of the Act, delegate any of their powers to a Committee consisting of such member or members of their body as they think fit and may, from time to time, revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations what may from time to time be imposed upon it by the Directors.

Proceedings of Committee

100. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors so far as the same are applicable thereto and are to superseded by any regulations made by the Directors under the last proceeding Articles.

When acts of Directors or Committee, valid notwithstanding Defective appointment etc.

101. All acts done by any meeting of the Directors, or by a Committee of Directors, or any person acting as a Director, 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 of any person acting as aforesaid, or that they or any of them were disqualified or had vacated office by virtue of any provision contained in the Act or in these Articles be as valid as if every such Director or person had been duly appointed and was qualified to be a Director and had not vacated such office provided that nothing in this article shall be deemed to give validity to acts done by a Director after the appointment of such Director has been shown to be invalid or to have terminated.

Resolution without Board Meeting.

102. Save in those cases where a resolution is required by Sections 262, 292, 297, 316, 372 (5) and 386 of the Act or any other provisions of the Act to be passed at a meeting of the Directors, a resolution shall be as valid and effectual as if it had been passed at the meeting of the Directors or Committee of Directors, as the case may be, duly called and constituted if it is passed by circulation in the manner provided in Section 289 of the Act.

#### POWER OF DIRECTORS

General power of the Company vested in the Directors.

103. (1) Subject to the provisions of the Act, the control of the Company shall be vested in the Directors who shall be entitled to exercise all such powers and do all such acts and things as may be exercise or done by the Company and are not hereby or by law expressly required or directed to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of the Articles and to any regulations not being inconsistent

with these Articles from time to time made by the Company in General Meeting, provided that no regulation so made shall invalidate any prior act of the Directors, which would have been valid if such regulation had not been made.

(2) Without prejudice to the general powers conferred by the proceeding Article, the Directors may, from time to time and at any time subject to the restrictions contained in the Act delegate to managers, secretaries, officers, assistants and other employees or other persons any of the powers, authorities and discretions for the time being vested in the Directors and the Directors may, at any time, remove any person so appointed and may annul or vary such delegation.

Power to  
delegate.

104. The Directors may subject to the provisions of the Act make such arrangements as may be thought fit for the management of the Company's affairs abroad and may for this purpose (without prejudice to the generally of their powers) appoint local bodies and agents and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The official seal shall be affixed by the authority and in the presence of and the instruments sealed therewith shall be signed by such persons as the Directors shall from time to time by writing under the Common Seal appoint. The Company may exercise the powers of keeping Foreign Registers.

Management  
abroad.

#### MANAGEMENT

105. Subject to the provisions of Section 197A and other applicable provisions of the Act the Company may appoint or re-appoint Managing Agents, Secretaries and Treasurers, Managing Director and Whole-time Director upon such terms and conditions as it thinks fit.

Power to appoint  
Managing  
Agents etc.

106. (1) A Manager or Secretary may be appointed by the Directors on such terms, at such remuneration and upon such conditions as they may think fit and any Manager or Secretary so appointed may removed by the Directors.

Manager or  
Secretary

(2) A Director may be appointed as Manager Secretary

107. Any provision of the Act or these Articles requiring or authorising a thing to be done by a Director, Manager or Secretary shall not be satisfied by its being done by the same person acting both as Director as, or in place of, the Manager or Secretary.

Act of Director,  
Manager or  
Secretary.

#### THE SEAL

108. The Directors shall provide for the safe custody of the Seal and the Seal shall never be used except by authority of the Directors or a Committee of the Directors previously given and subject to the provisions of Article 13 hereof one Director at least shall sign every instrument to which the Seal is 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 touching the authority of the Directors to issue the same.

Custody of Seal

#### RESERVES

109. 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 or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at the like discretion either be employed in the

Reserves.

business of the Company or to be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit The Directors may also carry forward any profits which they may think prudent not to divide without setting them aside as a reserve.

Capitalisation.

110. Any General Meeting may resolve that the whole or any part of the undivided profits of the Company (Which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised amount be applied on behalf of such members in paying up in full any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised amount. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve account may, for the purposes of this Articles only, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

Surplus money.

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

Fractional  
Certificates.

112. For the purpose of giving effect to any resolution under the two last preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustee upon such trusts for the persons entitled to the dividend or capitalised funds as may seem expedient to the Directors. Where requisite a proper contract shall be filed in accordance with Section 75 of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund and such appointment shall be effective.

DIVIDENDS

How Profits  
shall be visible.

113. Subject to the right of members, if any, entitled to shares with preferential or special rights attached, thereto, the profits of the Company which it shall from time to time determine to divide in respect of any year other period shall be applied in the payment of a dividend on the Equity shares of the Company but so that partly paid up shares only entitle the holder with respect there to such a proportion of the distribution upon a fully paid up share as the amount paid thereon bears to the nominal amount of such share. All dividends shall be apportioned and paid proportionately to the amounts paid credited as paid on the shares during any portion or portions of the period respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend accordingly. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

114. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and subject to the provisions of Section 297 of the Act and fix the time for payment. Declaration of dividends.
115. No larger dividend shall be declared than is recommended by the Directors; but the Company in General Meeting may declare a smaller dividend. Restriction on amount of Dividends.
116. No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company. Dividends out of profits only.
117. The declaration of the Directors as to the amount of the net profits of the Company any year shall be conclusive. What to be deemed not profits.
118. The Directors may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies. Interim dividends.
119. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends.
120. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the member, be set off against the call. Dividend and call together.
121. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer. Effect of transfer.
122. Any one of the several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such shares. Dividend to Joint holders.
123. Unless otherwise directed in accordance with Section 206 of the Act, any dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant set through the post to the registered address of the member or in the case of members who are registered jointly to registered address of that one of such members who is first named in the Register in respect of the joint-holding or to such person and such address as the member or members who are registered jointly, as the case may be, may direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. Payment by post.
124. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and all dividends unclaimed till the claim thereto becomes barred by law may be forfeited by the Directors for the benefit of the company but the Directors may annul the forfeiture whenever they may think proper. Unclaimed dividends.

#### BOOKS AND DOCUMENTS

125. The Books of Account shall be kept at the office or at such other place in India as the Directors may from time to time decide. Where to be kept.



## INSPECTION

Inspection.

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

(2) The Directors shall from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the books of account and books and documents of the Company, other than those referred to in Article 127 or any of them, shall be open to the inspection of the members not being Directors ; and no member (not being a Director) shall have any right of inspecting any books of account or book or document of the Company excepts as conferred by law or authorised by the Directors or by the Company in general meeting.

Inspection of Registers etc.

127. Subject to the provisions of Section 209(4) (b) of the Act, where under any provision of the Act any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed instrument of document required to be kept or maintained by the Company the persons so entitled to inspection shall, on his giving to the Company not less than twenty-four hours, previous notice in writing of his intention specifying which register etc. he intends to inspect be permitted to inspect the same between the hours of 10 a.m. and 12 noon on such business days as the Act requires them to be open for inspection.

Audit.

128. (a) One at least in every year, the accounts of the Company shall be examined and the correctness of the Profit & Loss Account and Balance Sheet ascertained by the Auditor or Auditors of the Company.

First Audit.

(b) The First Auditor or Auditors of the Company shall be appointed by the Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting of the Company.

Appointment and remuneration of Auditors.

(c) The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting and their appointment, remuneration, rights and duties shall be regulated by Sections 224 to 227 of the Act.

Audit of the accounts of Branch of the Company

(d) Where the Company has a Branch Office the provisions of Section 228 of the Act shall apply.

Right of Auditor to attend General Meeting.

(e) All Notices of and other communications relating to any General meeting of Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

(f) The Auditors Report shall be read before the Company in General meeting and shall be open to inspection by any member of the Company.

## SERVICE OF NOTICES AND DOCUMENTS

How Notices to be served on members.

129. (1) A notice or other document shall be given or sent by the Company to any member either personally or by sending it by post to him to his registered address in India or if he has no registered address in India by air mail post to the address outside India supplied by him to the Company for the giving of notices to him.

(2) Where a notice or other document is sent by post :-

Service by post.

- (a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice of document provided that where a member has intimated to the Company in advance that notices or documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sufficient sum to defray the expenses of doing so, service of the notice or document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and
- (b) service shall be deemed to have been effected.
  - (i) in the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted and
  - (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (3) Notwithstanding any provision to the contrary any notice or document to be served on a member who has not given an address in India for service of notices of documents shall be sent to such member by air mail and posted not less than twenty-eight days before the same is to be served as required by the Act or by these Articles.

130. A notice or other document advertised in a newspaper circulation in the neighbourhood of the office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company to address for the giving of the notices to him.

Notice to members who have not supplied address.

131. A notice or other document may be served by the Company on the joint-holders of a share by giving the notice to the joint-holder named first in the Register in respect of the share.

Notice to Joint-holders.

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

Notice to persons entitled by transmission.

133. Any notice required to be or which may be given by advertisement shall be advertised once in one or more newspapers circulating in the neighbourhood of the office.

How to be advertised.

134. Every person who, by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.

Transfers etc. bound by prior notices.

Notice valid through member deceased.

135. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member be then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint-holders thereof and such service shall, for all purposes of these presents, be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such shares.

How notice to be signed.

136. The signature to any notice to be given by the Company may be written or printed.

#### RECONSTRUCTION

Reconstruction.

137. On any sale of the undertaking of the Company, the Directors or the Liquidators on a winding up may, if authorised by a special resolution, accept fully paid/partly paid up shares, debentures or securities of any other company whether incorporated in India or not either than existing or to be formed for the purchase in whole or in part of the property of the Company and the Directors (if the profits of the Company permit) or the Liquidators in a winding up may distribute such shares or securities or any other property of the Company amongst the members without realisation or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of the cash, shares or other securities benefit or property otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities of property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save only in case the Company is proposed to be or is the course of being wound up, such statutory rights, if any under section 494 of the Act as are incapable of being varied or excluded by these Articles.

#### SECRECY

No share holder to enter the premises of the Company without permission.

138. No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties without the permission of the Directors or subject to Articles 126, to require discovery of or any information respecting any detail of the Company's trade or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate.

#### WINDING UP

No share holder to enter the premises of the Company without permission.

139. (1) In the event of the company being wound up, the holders of Preference Shares, if any shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repayment to them the amount paid up on the Preference Shares held by them respectively and payment of arrears of dividend up to the commencement of the winding up, whether declared or not, but shall not be entitled to any further participation in such surplus assets, if the surplus available as aforesaid shall be insufficient

to repay the whole of the amount paid up on the Preference Shares and any arrears of dividend, such assets shall be distributed amongst the holders of Preference Shares so that the losses shall be borne by the holders of Preference Shares in proportion to the capital paid up or which ought to have been paid up thereon and the arrears of dividend as aforesaid.

(2) The assets, if any, available for distribution after payment to the Preference Share holders as aforesaid shall be distributed amongst the holders of equity shares in proportion to the capital, at the commencement of the winding up, paid or which ought to have been paid up, on the shares in respect of which they were respectively registered.

(3) This Article is to be without prejudice to the rights and privileges amongst holders of Preference Shares of different series.

140. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in *specie* or kind, any part of the assets of the Company and may, with like sanction, vest any part of the assets of the Company in Trustees upon such trusts, for the benefit of the contributories or any of them, as the liquidators, with like sanction, shall think fit.

Distribution of  
assets in  
*specie*.

#### INDEMNITY

141. Every Director, Managing Agents, Secretaries and Treasurers, Managing Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Managing Agents, Secretaries and Treasurers, Managing Director, Manager, Secretary, Officer, employee or Auditor 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.

Indemnity.