

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF

VIYASHI SCIENTIFIC LIMITED

1. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof.

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

"The Company" means VIYASHI SCIENTIFIC LIMITED. "The Company"

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

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

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

"The Managing Director" means the Managing Director for the time being of the Company appointed. "The Managing Director"

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

Certified True Copy

VIYASHI SCIENTIFIC LIMITED

Company Secretary

"Register"	"Register" means the Register of Members to be kept pursuant to Section 150 of the Act.
"Seal"	"Seal" means the Common Seal for the time being of the Company.
"Month"	"Month" means a calendar month.
"Dividend"	"Dividend" includes Bonus.
"Person"	"Person" includes body corporate, firm, association of firms and society registered under the Societies Registration Act.
"Proxy"	"Proxy" includes Attorney duly constituted under a Power of Attorney.
"In Writing" and "Written"	"In writing" and "Written" includes printing, lithography and any other modes of representing or reproducing words in a visible form.
"Debenture"	"Debenture" includes debenture stocks.
"Special Resolution" and "Ordinary Resolution"	"Special Resolution" and "Ordinary Resolution" have the same meanings assigned thereto by Section 189 of the Act.
"These Presents"	"These Presents" means the Memorandum of Association and these Articles of Association of the Company for the time being in force. Words importing the singular number shall include the plural number and vice versa.
"Articles"	"Articles" means these Articles of Association or as altered and modified from time to time according to law.
2.	The regulation contained in Table 'A' in the first Schedule to the Companies Act, 1956, shall not apply to the Company, except in so far as they are embodied in the following Article which shall be the regulations for the management of the Company.
3.	Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on the security of shares of the Company and the Company shall not give directly or indirectly, any financial assistance whether by way of loan, guarantee, the provision of security or otherwise any financial assistance for the purposes of or in connection with any purchase of, or subscription for any shares of the Company or in its holding Company.
4.	Copies of Memorandum and Articles of Association of the Company shall be furnished to every shareholder of the Company at his request on payment of Rs. 2/- (Two).

5. *****The Authorised Share Capital of the Company is Rs. 8,86,14,70,000 (Rupees Eight Hundred Eighty Six Crore Fourteen Lakh Seventy Thousand) divided into 4,43,07,35,000 (Four Hundred Forty Three Crore Seven Lakh Thirty Five Thousand) equity shares of Rs. 2 (Rupees Two Only) each.
6. The Company has power from time to time to increase or reduce its capital. Any of the said shares and any new shares thereafter to be created may from time to time be divided into shares of several classes in such manner as may be provided hereinafter and the Company may allow and so that the shares of each class may have or confer such preferred or other special rights and privileges as may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise as shall have been assigned thereto by or under the provisions of the Articles of Association but so that the special rights or privileges belonging to holders of any shares issued with preferred or other rights shall not be varied or abrogated or affected except with sanction as is provided for hereafter.
7. Subject to the provisions of Section 80 of the Companies 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 Board may determine.
8. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such persons, on such terms and conditions, at such time, either at par or at a premium and for such consideration as the Board thinks fit. Provided that, where at any time it is proposed to increase the Subscribed Capital of the Company by the allotment of further shares, then, subject to the provisions of Section 81 (1A) of the Act, the Board shall issue such shares in the manner set out in Section- 81 (1) of the Act. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in general meeting.
9. The Directors may allot and Issue shares in the Capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted, may be issued as fully or partly paid up shares.
10. The shares in the Capital shall be numbered progressively according to their several denominations.
11. As regards all allotments made from time to time the Company shall duly comply with Section 75 of the Act.
 - *The Authorized Share Capital is increased from Rs. 2,500,000/- to Rs. 50,000,000/- vide Extra Ordinary General Meeting held On 10-04-2000.
 - **The Authorized Share Capital is increased from 50,000,000/- to 120,000,000/- vide special resolution passed in the Extra Ordinary General Meeting held on 15-12-2003.
 - ***The Authorized Share Capital was reclassified vide special resolution passed in Extra Ordinary General Meeting held on 15-05-2006.
 - ****The Authorized Share Capital is increased from 120,000,000/- to 150,000,000/- vide special resolution passed in Extra Ordinary general meeting held on 30-09-2006.
 - *****The Authorized Share Capital is increased from As. 150,000,000/- to Rs. 250,000,000/- vide Scheme of Amalgamation approved by the High Court through their order dated 16-06-2009.
 - *****The Authorized Share Capital is increased from Rs. 250,000,000/- to Rs. 320,000,000/- vide Scheme of Amalgamation approved by the High Court through their order dated 29-09-2012.
 - *****The Authorized Share Capital is increased from Rs. 320,000,000/- to Rs. 400,000,000/- vide Extra Ordinary general meeting held On 21-05-2014.
 - *****The Authorized Share Capital is increased from Rs. 400,000,000/- to Rs. 500,000,000/- vide Extra Ordinary general meeting held On 02-08-2014.
 - *****The Authorized Share Capital of the Company is Rs. 500,000,000/- (Rupees Fifty Crore Only) consisting of 50,000,000 (Five Crore) Equity Shares of Rs 10/- each is sub divided into Rs 500,000,000/- (Rupees Fifty Crore Only) consisting of 250,000,000 (Twenty Five Crore) equity shares of Rs. 2/- (Rupees Two Only) each vide resolution passed by the members through postal ballot on January 28, 2016.
 - *****The Authorized Share Capital of the Company is increased from Rs. 500,000,000/- (Rupees Fifty Crore Only) divided into 250,000,000 (Twenty Five Crore) equity shares of Rs. 2/- (Rupees Two Only) each to Rs. 800,000,000/- (Rupees Eighty Crore Only) divided into 400,000,000 (Forty Crore) equity shares of Rs. 2/- (Rupees Two Only) vide resolution passed by the members through postal ballot on January 17, 2021.
 - *****The Authorized Share Capital increased from 40,00,00,000 (Forty Crore) equity shares of Rs. 2/- (Rupees Two Only) each to 443,07,35,000 (Four Hundred Forty Three Crore Seven Lakh Thirty Five Thousand) equity shares of Rs. 2/- (Rupees Two Only) each vide Composite Scheme of Amalgamation approved by the NCLT through their order dated 18-11-2025.

- Restriction on Allotment* 11. If any Company shall offer any of its shares to the public for subscription :
- (1) no allotment thereof shall be made, unless the amount stated in the prospectus as the minimum subscription has been subscribed, and the sum payable on application thereof has been paid to and received by the Company.
 - (2) the amount payable on application on each share shall not be less than 5 per cent of the nominal amount of the share; and
 - (3) the Company shall comply with the provisions of sub-section (4) of Section 69 of the Act.
- Commission & Brokerage* 12. The Company may exercise the powers of paying commission conferred by Section 76 of the Act provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the commission shall not exceed 5 per cent of the price at which any shares in respect where of the same is paid, are issued or 2½ per cent of the price at which any debentures are issued (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.
- Shares at a Discount* 13. 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 Board may issue at discount shares of a class already issued.
- Instalments on shares be duly paid* 14. If, by the conditions of issue of any shares, 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 registered holder of the share or by his executor or administrator.
- Liability of Joint-holders of shares* 15. The joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share.
- Trust not recognised* 16. Save as herein otherwise provided, the company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by the court of competent jurisdiction, or as by any statute required, be bound to recognise any equitable or other claim to or interest in such share in the part of any other person.
- Who may be registered* 17. Share may be registered in the name of any person, company or other body corporate. Not more than four persons shall be registered as joint-holders of any share.

INCREASE AND REDUCTION OF CAPITAL

- Power to Increase Capital* 18. The Company in general meeting may, from time to time, by ordinary resolution increase the share capital by the creation of new

shares by such sum, may be divided into shares of such amount, as may be deemed expedient.

19. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company, then issued, the new shares may be issued upon such terms and condition and with such preferential, qualified or such rights and privileges or conditions thereto as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Board shall determine and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company. *On what conditions new shares may be issued*
- 19A. Before the Issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the shares be offered in the first instance and whether at par or premium or subject to provisions of Section 79 of the Act at a discount. In default of any such provision or so far the same shall not extend, the new shares may be dealt with in conformity with the provisions of these Articles. *Provisions relating to the Issue*
20. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the then existing capital of the Company 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. *How far new shares to rank with existing shares*
21. If, owing to any inequality in the number of new shares to be issued, and the number of shares held by member entitled to have the offer of such new shares, any difficulty arising in the allotment of such new shares, or any of them amongst the members such difficulty shall, in the absence of any direction in the resolution creating the shares for by the company in general meeting, be determined by the Board. *Inequality number of new shares*
22. The Company, may, from time to time by special resolution, reduce its any manner and with subject to any incident Capital authorised and consent required by law : *Reduction of Capital*
- (a) Its share capital;
 - (b) Any capital redemption reserve account or
 - (c) Any share premium account.

ALTERATION OF SHARE CAPITAL

23. The Company by ordinary resolution may from time to time : *Power to sub-divide and consolidate shares*
- Consolidate and divide all or any of its share capital in shares of larger amount than its existing shares.
 - (b) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount if any, unpaid on each reduced shares 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 or agreed to be taken by any person and diminish the amount its share capital by the amount of the shares so cancelled.

Rights in respect of shares on sub-division

24. Where any share capital is sub-divided, the Company in general meeting subject to the provisions of Sections 85, 87, 88 and 106 of the Act, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preferential or special rights as regards dividend, payment of Capital, voting or otherwise.

Surrender of share

25. Subject to the provisions of Sections 100 to 105 (inclusive) of the Act, the Board may expect from any member to surrender, on such terms and conditions as shall be agreed of all or any of his shares.

VARIATION OF SHARE-HOLDER'S RIGHTS

Power to vary rights

26. If any time the share capital is divided into different classes of shares all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act whether or not the Company being wound up, be modified, commuted, affected, abrogated, varied or dealt with by the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at the separate meeting of the holders of the issued shares of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in questions. The Article is not by implication to curtail the power of modification which the Company would have if this Article was omitted. The Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar.

SHARE CERTIFICATES

Issue of certificates

27. The certificate of title to the shares, shall be issued within three months after allotment (or within such other period as the conditions of the issue shall provide).

Member's right to certificates

28. (1) Every person whose name is entered as member in the Register shall be entitled to receive within three months after allotment, 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.
- (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.
- (3) In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate to the first person

named in the Register shall be sufficient delivery to all such holders.

29. The certificate of shares registered in the names of two or more persons shall be delivered to the person first named in the Register. No fee shall be charged for issue of new Certificate in lots of trading unit. *Issue of certificates to Joint-holders*
30. If any certificate be old, decipt, worn out torn or defaced or where the cages on its reverse side for recording transfers have been fully utilised, then upon surrender thereof to the Company the Board shall, order the same to be cancelled and issue a new certificate in lieu thereof without any payment. If any certificate be lost or destroyed then upon proof of such loss or destruction to the satisfaction of the Board and on such indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate on a fee of two rupees for each certificate or such smaller fee as the Board may determine. *Replacement of share certificates*

CALLS

31. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks 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 persons and at the times and places appointed by the Board. A call may be made payable by instalment and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed at the meeting of the Board. *Calls*
32. No call shall exceed one fourth of the nominal amount of a share be made payable at less than one month from the payment of the last preceding call. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call shall be paid. Provided that, before the time of payment of such call, the Directors may, by notice in writing to the members, revoke the same or extend the time for payment thereof. *Restriction on power to make calls and notice*
33. 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 nominal 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 Board and of which due notice has been given and all the provisions herein contained in respect of calls, forfeiture or otherwise shall relate to such amount or instalment accordingly. *When amount payable*
34. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same *When interest on call or instalment payable*

at the rate of 12 per cent per annum from the day appointed for the payment hereof to the time of the actual payment or at such other rate as the Directors may determine. The Directors may in their absolute discretion waive the payment of interest, wholly, or in part, in the case of any person liable to pay such call or instalment.

*Evidence in
action for call*

35. Subject to the provisions of the law of Evidence and procedure, on the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due, 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 of the Company as a holder or one of the holders, of the number of shares in respect of which such claim is made, and 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 nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

*Payment of calls
in advance*

36. The Board may, if it thinks fit, receive from any member willing to advance the same, and either the money or money's worth, all or any part of money due upon his shares held by him beyond the sums actually called for and upon the money so paid or satisfied in advance, or so much thereof as from 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 determined by the Board from time to time, unless the Company in General Meeting shall otherwise direct. The Directors may, at any time, repay the amount so advanced upon giving to such member one month's notice in writing. The member shall not, however, be entitled to any voting rights or to participate in the profits of the Company or dividend in respect of the moneys so paid by him until the same would put for such payment presently payable.

*Voting rights
when calls in
arrears*

37. 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 share 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.

*Reservation of
calls*

38. A call may be revoked or postponed at the discretion of the Board.

*Directors may
extend time, for
payment of a
call*

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

*Every member
to pay the
proportion of the
capital repre-
sented by the
shares*

40. Every member, his executors or administrators shall pay to the Company the proportion to the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amount at such time or times and in such manner as the Directors shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

FORFEITURE OF SHARES

41. If a member fails to pay any sum payable in respect of any call or any instalment of a call on or before the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of the said call or instalment remains unpaid serve a notice on such member requiring payment of such of the call or instalment as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. *Notice for payment of call or instalments*
42. The notice aforesaid shall name a further day, not being earlier than the expiry of fourteen days from the date of the service of notice, on or before which the payment required by the notice, is to be made and a place at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall state in the event of non-payment on or before the date so named, the shares in respect of which such call or instalment was payable shall be liable to be forfeited. *Mode of Notice*
43. If the requirements 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 thereafter, before the payment of calls or instalments, interest and expenses due in respect has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. *Forfeiture of shares*
44. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of member but no forfeiture shall in any manner be invalidated by any occasion or failure to give such notice or to make such entry as aforesaid. *Notice of forfeiture*
45. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, reallocated or otherwise disposed of on such terms and in such manner as the Board thinks fit. *Forfeited shares to become property of the Company*
46. The Board may at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. *Board may annul forfeiture errors to be paid notwithstanding forfeiture*
47. (i) A person whose shares have been forfeited shall cease to be a member in respect of forfeited shares but shall notwithstanding forfeiture remain 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 forfeiture, together with interest thereon from the time of forfeiture until payment thereof without any deduction or allowance for the value of the shares at the time of forfeiture.
- (ii) The forfeiture of a share shall involve the extinction of all interest in and also all claims and demand against the Company in respect of the shares and all other rights incidental to the shares except any such of those rights as by these articles are expressly saved.

- Evidence of forfeiture* 48. Subject to the provisions of the law of Evidence and Procedure, a duly verified declaration in writing that the declarant is a Director of the Company, and the 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 share. 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 the purchaser shall not be bound to see to the application of the purchase money nor shall his title to such shares be effected 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* 49. The provisions of these regulation as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue a share become payable at a fixed time whether on account of the nominal value of the share or by way of premium, as if the same has been payable by virtue of a call duly made and notified.
- Power to issue non-certificate* 50. When any shares under the powers on that behalf being contained are sold by the Directors and the certificate thereof has not been delivered to that Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.
- Partial payment or any indulgence show not to preclude forfeiture* 51. Neither the receipt of the Company of a portion of any money which shall, from time to time be due from any member to the Company in respect of his share, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Directors from thereafter proceeding to enforce a forfeiture of such share as provided in these regulations for non-payment of the whole or any balance due in respect of the shares.

COMPANY'S LIEN ON SHARES

- Company's lien on shares* 52. The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 16 hereof will have full effect. And such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed registration of a transfer of share shall operate as a waiver of the Company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempted from the provisions of this clause.
- Enforcement of lien by sales* 53. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as it thinks fit, but no sales shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on each members, his executor or administrator,

committee curator bonis or other legal representative as the case may be, and default shall have made by him or them in the payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.

54. The net proceeds of the any such sale shall be received by the Company and after payment of the cost of such sale, be applied in or towards the payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall subject to like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the share at the date of the sale. *Application of proceeds of sales*
55. Upon any sale after forfeiture or surrender or for enforcing a lien in purported exercise of the powers hereinbefore conferred, the Board may appoint some persons to execute an instrument of transfer the share sold and cause the purchaser's name to be entered in the Register in respect of share sold, and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money, and after his name has been entered into the Register in respect of such share the validity of the sale shall not be impeached by any person on any person on any ground whatsoever, and the remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively. *Validity of sales in exercise of lien and after forfeiture*
56. Where any share has been sold by the Board pursuant to these Articles and the certificate in respect thereof has not been delivered to the Company by the former holder of such shares the Board may issue a new certificate for such share, distinguishing it in such manner as it may think fit from the certificate not so delivered wherein any such case the certificate in respect of the shares forfeited any/or sold in not delivered and new certificate for such share has been issued, the original certificate shall be treated as cancelled and no claim or title based on such certificate shall be binding on the Company. *Board may issue new certificates*

TRANSFER AND TRANSMISSION

57. Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name address and occupation of the transferee has been delivered to the Company along with the certificate relating to the shares, or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 108 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address. *Execution of transfer etc.*

Provided that, where an application in writing made to the Company by the transferee, and bearing the stamp required for an instrument to transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by

or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

*Application
registration of
transfer*

58. Application for the registration of the transfer of a share may be made either by the transferee or the transferor, no registration shall, in the case of partly paid share 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 within two weeks from the date of receipt of the notice, enter in the Register the name of transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

*Directors may
refuse to
register transfer*

59. The Board, without assigning any reason for such refusal may, subject to right of appeal conferred by Section 111, decline to register :

- (a) the transfer of a share not being a fully paid share, to a person of whom it does not approve, or
- (b) any transfer of shares on which the Company has a lien;

Provided that registration of transfer shall not be refused on the ground of transferor being either alone or jointly with any other person or persons indebted to the Company or any account whatsoever except a lien on the shares. If the Directors decline to register any transfer, they shall give notice of such refusal to the transferee and the transferor as required by Section 111 of the Act.

Form of transfer

60. Every instrument of shares shall be in the form prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provisions of Section 108 of the Act, from time to time.

*No fee to be
charged for
registration of
transfer*

61. No fee may be charged for registration of transfer and transmission.

62. No fee will be charged :-

*Fees for splitting
or consolidation
etc.*

- (a) For splitting up, sub-division and consolidation of shares and debenture certificates and for splitting-up and sub-division of Letters of allotment and splitting, consolidation, renewal into denomination corresponding to the market units of trading as per Rules of Stock Exchange concerned.
- (b) For sub-division of renunciation letters of rights.
- (c) For issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the revers for recording transfer have been fully utilised.
- (d) For registration of any power of Attorney, Probate of Will, Letters of Administration on similar other documents;

Provided that in case of splitting up and/or sub-division of shares other than the market units of trading as determined

or as per prevailing Rules of Stock Exchange concerned, a fee of Rs. 2/- (two) per share certificate may be charged.

63. Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate of the shares to be transferred or if there is no certificate, the Letter of Allotment thereto and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. The Board may waive the production of any certificate upon evidence of them of its having lost or destruction. Every instrument of transfer which shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same. *Instruments of transfer to be left at office*
64. Subject to the Provisions of Section 154 of the Act, the registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine; *Suspension of transfers*
- Provided that, such registration shall not be suspended for more than thirty days at any one time or more than forty-five days in the aggregate in any year.
65. If the Board refuse, whether in pursuance of the Article 59 or otherwise, to register the transfer of, or the transmission by operation of law of the right to any share, the Company shall, within one month from the date on 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, notice of such refusal. *Notice of refusal to registration transfer*
66. The executors or administrators of a deceased member (not being one of several joint holders) shall be the only persons 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 jointholders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator, Board 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. Probate or Letter of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board in its absolute discretion may consider necessary. *Persons entitled to shares by transmission*
67. Any committee or guardian of a lunatic or infant member or any person becoming entitled to transfer share in consequence of the death or bankrupt, insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of the his title as the Board thinks sufficient may with consent of the Board (which it 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". *Transfer of shares of insane, minor, deceased or bankrupt member*

*Rights of
persons entitled
to shares by
reason of death
etc.*

68. Any Director may retain the dividend payable upon shares to which any person becomes entitled under Article 67 until such person or his transferee shall become a member in respect of shares.
69. (a) If the person becoming entitled to share under Article 67 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.
- (b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of shares.
- (c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration 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.
70. A person so becoming entitled under the Transmission Articles to a share by reason of the death, lunacy, bankruptcy or insolvency of the member shall, subject to the provisions of Article 106 or Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he was the member registered in respect of the share.

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

*Company not
liable for
disregard of a
notice purporting
prohibit registra-
tion of transfer*

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

*No transfer to
an infant or to
unsound mind*

72. No transfer shall be made to an infant or person of unsound mind.

SHARE WARRANTS TO BEARER

*Issue of the
share warrants*

73. The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Act, and accordingly the Board may in its discretion, with respect to any

share which is fully paid-up on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time require as to the identification of the person signing the application, and on receiving the certificates (if any) of the share and the amount on stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

74. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of the two clear days from the time of deposit, as if his name were inserted in the Register as the holder of the shares included in the deposited warrant.
- (2) Not more than one person shall be recognised as depositor of the share warrant.
- (3) The Company shall, on seven days' written notice, return the deposited share warrant to the depositor.
75. (1) Subject as herein otherwise provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privilege of a member at meeting of the Company or be entitled to receive any notices from the Company.
- (2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if they were named in the Register of members as the holder of the shares included in the warrant and he shall be a member of the Company.
76. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARE INTO STOCK

77. The Company may by ordinary resolution :
- (a) Convert any paid-up shares into stock; and
- (b) Re-convert any stock into paid-up shares of any denomination.
78. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit.

*Conversion of
paid-up share
into stock*

*Transfer of
stocks*

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however, that such minimum shall

not exceed the nominal amount of the shares from which the stock arose.

*Power and
rights of stock-
holders*

79. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividend and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

*Regulations to
apply to stock*

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

BORROWING POWERS

Power to borrow

81. The Directors may from time to time at their discretion raise or borrow any sum or sum of money for the purpose of the Company subject to the provisions of Section 292 & 270 of the Act and may secure payment or repayment of same in such manner and upon such terms and conditions in all respects as may be prescribed by the board in particular by the creation of any mortgage, hypothecation; pledge or charge in and over the Company's stocks, book debts and other movable properties.

*Conditions on
which moneys
may be bor-
rowed by the
Directors*

82. The Directors may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular, by the issue of bonds, perpetual or redeemable debentures, or debenture-stock, or any mortgage, charge or other security on the undertaking of the whole or any part of the Company, both present and future, including its uncalled capital for the time being or by giving, accepting or endorsing on behalf of the Company and promissory notes, bills of exchange or other negotiable instruments and no debenture shall carry any voting rights whether generally or in respect of a particular class of shares of business.

*Delegation of
power*

83. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may, by instrument under the Company's seal, delegate the power under Section 292 of the Act to the person in whose favour such mortgage or security is executed or any other person in trust for him.

*Issue at dis-
count etc. or
with special
privileges*

84. Any debentures, 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, attending at General Meetings of Company, appointment of Directors and otherwise debenture, debenture-stock, bonds or the 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, debenture-stock, bonds or other securities with a right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

85. Save as provided in Section 108 of the Act no transfer of debentures shall be registered unless a proper Instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debentures. *Instrument of transfer for Debentures*
86. If the Board refuse to register the transfer of any debentures of the Company It shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor the notice of the refusal. *Notice of the refusal to register transfer*
87. If any Director or any other person shall become personally liable for the payment of any sum preliminary due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable, as aforesaid, from any loss in respect of such liability. *Execution of charges or mortgages by Board*
88. The Directors may receive deposits on such terms and conditions and bearing interest at such rates as they may decide and fix and which may be made payable monthly, quarterly, half-yearly or yearly, subject to the notifications issued from time to time by the Department of non-Banking Companies, Reserve ban of India, if any. *Powers to receive deposits*
89. The Company may subject to the provisions of Section 208 of the Act pay interest on so much of the share capital as is for the time being paid up as was issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provisions of any plant, which cannot be made profitable for a lengthy period. *Payments of Interest on Capital*

PROCEEDINGS AT GENERAL MEETINGS

90. In addition to any other meetings, a general meeting of the Company shall be held within such interval one specified in Section 166 (1) of the Act and, subject to the provisions of Section 166 (2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called as "Extra-ordinary General Meeting". *When Annual General Meeting to be held*
91. The Board may, whenever it thinks 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 Extra-ordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board. *Calling of Extra-ordinary General Meeting*
92. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive such notice shall not invalidate any resolution passed at any such meeting. *As to omission to give notice*
93. The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members. *Circulation of Members resolutions*

- Quorum* 94. No business shall be transacted at a General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five members present in person shall be the quorum for the meeting of the Company.
- Passing of Resolutions* 95. Any act or resolution which, under these articles or 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 affected by an ordinary resolution as defined in Section 189 (1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a specific majority or by special resolution as defined in Section 189 (2) of the Act.
- Chairman of the General Meetings* 96. The Chairman of the Board shall be entitled to take the chair at every General Meeting. If there be no such chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or 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 entitled to vote to be the chairman of the meeting.
- Dissolutions and adjournment of General Meetings* 97. If within half an hour from the time appointed for the meeting, a quorum be not present, the meeting if convened upon the requisition of members 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, 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 and may transact the business for which the meeting was called.
- Vote by show of hands* 98. Every question submitted to meeting shall be decided in the first instance, by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member.
- A declaration by the Chairman that the resolution has on a show of hands, been carried unanimously or by particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.
- Adjournment of the General Meetings* 99. The Chairman of the General Meeting may adjourn the same from time to time and from place to place but no business shall be transacted to any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- What is to be evidence of the passing of a resolution where poll not demanded* 100. At any General Meeting unless a poll is (before or on the declaration of the result of the voting on any resolution and on the show of hands) demanded by the Chairman or by at least five members present in person or by proxy or by any member or members, present in person or by proxy and having not less than one-tenth of total voting power in respect of the resolution or by any member or

members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which aggregate sum has been paid up which is not less than one-tenth of the total sum paid-up on all the shares conferring that right, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book containing minutes of the proceedings of the meeting of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.

101. (a) If a poll be demanded as aforesaid, it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting. *Poll*
- (b) The demand of a poll may be withdrawn at any time by the person or persons who made the demand.
- (c) Whereas poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, at least one of whom shall be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed, to scrutinise the votes on the poll and to report thereon to him.
- (d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll, a member entitled to more than one vote or his proxy or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or casts in the same way all the votes he uses.
- (e) The demand of a poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.

VOTES OF MEMBERS

102. Subject to any rights or restrictions for the time being attached to any class or classes of shares :- *Votes of members*
- (a) On a show of hands, every member present in person, shall have one vote; and
- (b) On a poll, the voting rights of members shall be as laid down in Section 87 of the Act.
103. Except as conferred by Section 87 of the Act, the holders of preference shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with the provisions of sub-section (2) of the Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provisions of Section 89 and sub-section (2) of Section 92 of the Act be in the same proportion as the Capital paid up in respect of the preference share bears to the total paid-up equity capital of the Company. *Voting Rights of preferential share-holders*

- Procedura
where a Com-
pany is a
member of the
Company*
104. Where a company or body-corporate (hereinafter called "member company") is a member of the Company a person duly appointed by resolution in accordance with Section 187 of the Act to represent 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 certified by him as a true copy of the resolution shall on production at the meeting 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 or body-corporate which he represents, as that member company or body-corporate could exercise if it were an individual member.
- Vote by Joint-
holders*
105. Where there are joint-registered holders of any shares, any one of such person may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy, then one of said persons so present whose name stands first in 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 purpose of this Article be deemed joint-holder thereof.
- Vote in respect
of deceased,
insolvent &
minor members*
106. Any person entitled under the Transmission Article 67 to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such shares or 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 compos-mentis, he may vote whether on 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 on a poll. If any member is a minor, the vote in respect of his share may be given by his guardian. If more than one person claim to exercise the right of vote under this clause, the Chairman of the meeting may elect in his absolute discretion any one person and will accept his vote.
- Voting rights on
show of hands
under Section
187*
107. No member not present in person shall be entitled to vote on a show of hands, unless such member is a company or corporation present by proxy or by a representative duly authorised under Section 187 of the Act, in which case such proxy or representative may vote on the show of hands, as if he were a member of the Company.
- Proxies permit-
ted*
108. On a poll, votes may be given either, personally or by proxy or in the case of a company, by a representative duly authorised as aforesaid.
- Appointment of
proxies*
109. Any member of a Company entitled to attend and vote at meeting of the Company shall be entitled to appoint another person (Whether a member or not), as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.

110. The instrument of appointing a proxy shall be in writing, under the hand of the appointor or his attorney duly authorised in writing or if such appointor 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. *Instruments appointing proxy.*
111. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarial certified copy of that power or authority, shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. *Proxies to be deposited at the office*
112. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instruments or transfer of the shares in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the office before the meeting 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*
113. Every instrument appointing a special proxy shall be nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act. *Form of proxy*
114. 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. *Restrictions of voting*
115. (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 meeting who shall forthwith determine the same and such decision shall be final and conclusive. *Admission or rejection of votes*
- (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 and every vote not disallowed at such meeting shall be valid for all purposes.

DIRECTORS

116. Until otherwise determined by Company in General Meeting, the number of Directors of the Company shall not be less than three and not more than twelve. *Number of Directors*
117. The First Directors of the Company are :
- (1) SRI SHYAM SUNDAR JAJOO
 - (2) SRI SHYAM RATAN AGARWAL
 - (3) SRI TARUN KUMAR SHARMA

*Non-rotational
Directors*

116. Subject to the approval of the Government under the provisions of Section 268 of the Act :

- (a) While any money remains due by the Company under or by virtue of any mortgage, hypothecation, pledge or otherwise or underwriting agreements executed by the Company in favour of the Government Central and/or State and or of the Industrial Finance Corporation of India, Industrial Development Bank of India, Industrial Credit Corporation, Life Insurance Corporation of India or any other Corporation sponsored by the Government, Central or State and so long as long the loan and or guarantee given by the said Government/Corporation in respect of financial commitments of the Company remain outstanding the said corporations shall be entitled to appoint from time to time any person or persons to be their nominees as Directors of the Company. The Directors so appointed shall have the same powers and privileges as other Directors of the Company. Such Directors appointed by the said Government/Corporation shall not be required to possess any share qualification and the provisions of Articles of Association as to retirement of Director shall not apply to them. The said Director shall hold office at the pleasure of the said Corporation who shall have the full power to remove all or any of the Directors appointed by them under this Article, and to appoint any other or others in his or their places as and when they shall deem it necessary. Such appointment or removal shall be by notice in writing to the Company.
- (b) Any Trust Deed for securing debentures or stocks may if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture-stock of some persons to be Director of the Company and may empower such trustees or holder of debentures or debenture-stocks from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as "The Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding other provisions herein contained.

*Appointment of
Directors of the
Company and
proportion of
those who retire
by rotation*

119. Not less than two-third of total number of Directors of the Company shall :

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
- (b) save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

*Increase or
reduction in
number of
Directors*

120. The Company in the General Meeting may subject to provisions of the Article 116 and Section 259 of the Act by ordinary resolution increase or reduce the number of the Directors.

121. The Directors shall have powers at any time and from time to time to appoint any other person as a Director either to fill up a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any Director so appointed shall hold office only until the conclusive of the next following Annual General Meeting of the Company but shall not be eligible for re-election at such meeting. *Power to appoint additional directors*
122. Subject to the provisions of Section 313 of the Act or any statutory modifications thereof, the Board shall have power to appoint any person to act as alternate director for a director during the latter's absence for a period of 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 Board and to attend and vote thereat accordingly; but he shall not require any qualification and shall "ipso facto" vacate office if and when the absent Director returns to the state in which meetings of the Board are ordinarily held or the absent director vacates office as a director. *Alternate directors*
123. A Director need not hold any share in the Company in his name as his qualification, but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company. *Directors need not hold any qualification shares*
124. Unless otherwise determined by the Company in General Meeting, each Director, other than the whole-time paid Directors, shall be paid Rs. 250/- or (as may be decided by Board from time to time) for each meeting of the Board of Directors or a Committee thereof attended by him. The Directors may also be paid all the expenses as decided by the Board from time to time in attending the meeting of the Board or a Committee of the Board. *Remuneration of Directors*
125. In addition to the remuneration payable to the Directors under Article 124 thereof, the Directors may be paid all reasonable travelling, hotel and other expenses in attending and returning from the meeting of the Board of Directors or any Committee thereof or in connection with the business of the Company. *Expenses of Directors*
126. Subject to Section 198, 301, 310 and 314, of the Act, if any Director or Directors being willing shall be called upon to perform extra services or to make any special exertion in going or residing outside the office for any of the purposes of the Company or in giving special attention to the business of the Company, the Board may remunerate such Directors either by fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or substitution for any remuneration to which he may be ordinarily entitled. *Extra remuneration of Directors*
127. The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by these presents for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning of general meeting of the Company, but for no other purpose. *Directors may act notwithstanding vacancy*

128. (1) The Office of a Director shall "ipso facto" become vacant if :
- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
 - (b) he applies to be adjudicated an insolvent; or
 - (c) he is adjudged an insolvent; or
 - (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
 - (e) he fails to pay any call in respect of shares in the Company held by him whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the Official Gazette, removed the disqualification incurred by such failure; or
 - (f) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer without obtaining leave of absence from the Board; or
 - (g) he (whether by himself or by any person for his benefit or his account) or any firm of which he is a partner or any private company of which he is a director, accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
 - (h) he acts in contravention of Section 299 of the Act; or
 - (i) he becomes disqualified by an order of the Court under Section 203 of the Act; or
 - (j) he is removed in pursuance of Section 284 of the Act; or
 - (k) having been appointed a Director by virtue of his holding any office or any other employment in the Company he ceases to hold such office or other employment in the Company; or
 - (l) by notice in writing to the Company he resigns his office; or
 - (m) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of the provisions of sub-section (1) of Section 314 of the Act and by operation of that Section he is deemed to vacate office.

(2) Notwithstanding anything in clauses (c), (d) and (i) the disqualification referred in those clauses shall not take effect:

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

129. A Director of the Company may be or become a director of any company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise, and no such directors shall be accountable for any benefits received as director or member of such company.

Directors may be directors of companies promoted by the Company

130. Subject to the provisions of Section 297, 299 to 301 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 or for underwriting the subscription or 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 a partner or which any other partner in such firm or with a private Company of which such Director is a member or director be void, 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.

Conditions under which directors may contract with the Company

APPOINTMENT, REMOVAL & ROTATION OF DIRECTORS

131. (a) At an Annual General Meeting at which a Director retires by rotation, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto. If the place of the retiring Directors is not so filled and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill up the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :

Vacancies to be filled in Annual General Meeting

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

*Power to
remove Direc-
tors*

132. The Company may, subject to the provisions of Section 284 of the Act by ordinary resolution of which special notice according to Section 190 of the Act has been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his stead. A Director so appointed shall hold office until the date upon which his predecessor would have held office if he had not been so removed. Of the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed the Board may at any time thereafter fill such vacancy under the provisions of Article 133.

*Board may fill
casual vacan-
cies*

133. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire, in the normal course, the resulting vacancy may be filled by the Board at a meeting of the Board, but any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if he had not been so vacated, provided that the Board shall not fill such a vacancy by appointing thereto any person who has been removed from the office of the Director under Article 132.

*Rotation &
Retirement of
Directors*

134. (a) At every Annual General Meeting one-third of such Director for the time being as are liable to retire by rotation or, if their number is not three or multiple of three than the member nearest to one-third shall retire from office. The retiring Directors shall retain his office until dissolution of the meeting at which his successor is elected. An ex-officio Director shall not be liable to retire by rotation within the meaning of this Article.
- (b) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day those to retire shall unless they otherwise agree amongst themselves be determined by lot.

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

136. No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting, unless he or some other member intending to propose him has, not less than fourteen days and not more than two months before the meeting left at the office a notice in writing duly signed, signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be.
- When candidate for Office of Directors must give notice file consent in writing*

PROCEEDINGS OF DIRECTORS

137. (a) The Directors may meet together for the despatch of business, and may adjourn and otherwise regulate their meetings and proceedings as they may think fit.
- Meetings of Directors*
- (b) The Chairman, Director or any other Officer authorised by Directors may call a meeting of the Board of Directors.
- (c) Subject to the provisions of Section 316, 372 (5) and 336 of the Act, questions arising at any meeting shall be decided by a majority of votes and in case of any equality of votes the Chairman shall have a second or casting vote.
138. (a) Notice of every meeting of the Board or a Committee thereof shall ordinarily be given in writing to every Director for the time being at his usual address.
- Notice*
- (b) It shall not be necessary to give notice of a meeting of Directors to any Director for the time being away from India.
139. (a) A quorum for the meeting of the Board of Directors shall be one-third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. Provided that where at any time the number of interested Directors exceed or is equal to two-thirds of the total strength, the number of the remaining Directors that is to say the number of the Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time.
- Quorum*
- (b) If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman shall appoint.
140. The Chairman may and on the requisition of a Director shall at any time, summon a meeting of the Board.
- Directors may Summon meetings*
141. The Directors may choose some one of their number to be Chairman and the Director so chosen shall continue as Chairman until otherwise determined by the Board, if at any meeting of the Board the Chairman be not present within five minutes after the time appointed for holding the same the Directors present shall choose some one of their number to be Chairman of such meeting.
- Power to appoint Chairman*
142. A meeting of Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or
- Powers of the Board Meeting*

under the Articles or the Act for the time being vested in or exercisable by the Board.

*Power to
appoint commit-
tee and to
delegate*

143. Subject to the provisions of Section 292 of the Act, the Board may from time to time delegate any of its powers to committee consisting of such member or members of their body, managers and other officers of the Company as it may think fit, and may from time to time revoke such delegation. Any committee so formed shall, in exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board. The Meetings and proceedings of any such committee, consisting of two or more members shall be governed by the provisions hereinafter contained regulating the meeting and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under this Clause.

*Resolution
without Board
Meeting valid*

144. All acts done at any meeting of the Directors or of a Committee or by any person acting as a Director, shall notwithstanding that it may afterwards be discovered there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director or a member of a committee.

*Resolution
without Board
Meeting Valid*

145. Save for the purposes of Sections 262, 292, 297, 316, 372 (5) and 386 of the Act a resolution shall be valid and effectual if it had been passed at a Meeting of the Directors or of the Committee thereof duly called and constituted if it is circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India and has been approved by such of the Directors or members as are then in India or by a majority of such of them as are entitled to vote on the resolution.

POWERS OF THE BOARD

146. Subject to the provisions of the Act, control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided, further, that in exercising any such powers or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Article or in any regulations made by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation has not been made.

*Power to keep
foreign register*

147. The company may exercise the powers conferred on it by Section 157 and 158 of the Act with regard to keeping of a foreign Register; and the Board may (subject to the provisions of those sections)

made and vary such regulation as it may think fit in respect of the keeping of any such register.

148. Every debenture or other instrument issued by the Company for securing the payment of the money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures debenture-stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on a condition that they shall be convertible into any shares of any denomination and with any special privileges as to redemption, surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting. *Debentures*
149. The Directors may at any time pay or agree to pay commission to any person in consideration of subscribing, underwriting or agreeing to subscribe or underwrite (whether absolutely or conditionally) any debentures of the Company, but so that if the commission shall be paid or be payable out of the capital the statutory conditions and requirements shall be observed and complied with and the commission shall not exceed two and a half per cent of the face value of the debentures. *Directors may pay commission*
150. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for the monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by the Managing Director or by such person and in such manner as the Board shall from time to time by resolution determine. *Drawing etc. of negotiable and other instruments*
151. The Board may 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 generality of their powers) appoint local boards and agents and fix their remuneration and delegate them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of any instruments sealed therein shall be signed by such persons as the Board shall from time to time by writing under the seal appoint. The Company may also exercise the powers of keeping Foreign Register. *Management of Company's Affairs abroad*
152. Without prejudice to the General powers conferred by these presents but, subject however to Sections 292, 293, 294, 295, 297 and 314 of the Act, it is hereby expressly declared that the Directors shall have the following powers that is : *Specific powers given to the Directors*
- (1) To pay the costs, charges, preliminary and incidental to the promotion, formation, establishment and registration of the Company.
 - (2) To pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon

as may be agreed upon, and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of Company and its uncalled capital or not so charged.

- (3) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (4) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company or in such other manner as they think fit.
- (5) To appoint and at their discretion remove or suspend such managers, secretaries, exports and other officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and determine their powers and duties and fix their salaries or emoluments and to require security in such instances and of such amount as they think fit.
- (6) To appoint any person (whether Incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (7) To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment in satisfaction of any debts, due and of any claims or demands by or against the Company and act on behalf of the Company in all matters to bankrupts and insolvents and apply and obtain letters of administration, provided that the Board shall not except with the consent of the General Meeting remit or give time for the repayment of any debt due by a Director.
- (8) To refer any claims or demands by or against the Company or to enter into any contract or agreement for reference to arbitration and to observe, enforce, perform, compound or challenge such awards and to take proceedings for the reversal of the same.
- (9) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- (10) To act as trustees in composition of the Company's debtors.
- (11) To make, vary and repeal bye-laws for regulation of business of the Company and the duties of officers and servants.

- (12) Subject to the provisions of the Act and in particular, subject to Section 309 and 310 of the Act, to give a Director or any officer or any other person whether employed or not by the Company a commission on the profits of any particular business or transaction or a share in the general profit of the Company and such commission or share of profit shall be treated as part of working expenses of the Company.
- (13) At any time and from time to time by power of Attorney under the seal of the Company, to appoint any person or persons to be the attorney to the Company in India or abroad for such purposes and with such powers, authorities and discretion and for such period and subject to such conditions as the Directors may from time to time think fit; and any such appointment may be made in favour of any company or the Members, Directors, Nominees or Managers of any company or firm or otherwise in favour of fluctuating body of persons whether nominated directly or indirectly by the directors any and such power of attorney may contain such powers enabling any such delegates or attorneys as aforesaid sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
- (14) With the sanction of the Board to execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such powers, conveniences and provisions as shall be agreed upon or other agreements as may be thought fit.
- (15) In conformity with Sections 293 (1) (c) and 372 of the Act to invest and deal with any of the monies of the Company in such manner as they think fit and from time to time to vary or realise such investments.
- (16) To enter into all such negotiations and contracts, rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.
- (17) To act jointly or severally in all or any of the powers conferred on them.
- (18) To comply with the requirements of the Act or any other local law which in their opinion shall, in the interests of the Company be necessary or expedient to comply with.
- (19) To delegate all or any of the powers, authorities and discretions for the time being vested in them and in particular, from time to time to provide by the appointment of an attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they think fit.

- (20) To provide for the welfare of employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonuses or other payment or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions, recreations, hospitals and dispensaries and all other kinds of medical relief.
- (21) Subject to Section 293 (1) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, national, social, scientific, literary, educational, medical or other institutions the objects of which shall have any moral or other claim for support or said by the Company either by reason of locality of operation or of public and general utility or otherwise.
- (22) To open and deal with the current accounts, overdraft accounts with any bank or banks for carrying on any business of the Company.
- (23) Subject to Section 293 (1) (a) of the Act to sell or dispose any of properties of the Company to any person in consideration of cash payment in lump sum or by instalment or in return for any other service rendered to the Company.
- (24) To get insured any or all the properties of the Company and any or all the employees and their dependants against any or all risks.
- (25) To appoint and nominate any person or persons to act as proxy or proxies for the purpose of attending or voting on behalf of the Company at a meeting of any company or association.
- (26) Subject to Section 294 of the Act to appoint purchasing and selling agents for the purchase and the sale of Company's requirement and products respectively.
- (27) Subject to Section 293 (1) (e) of the Act to give away in charity monies received from any sources whatever or form any assets of the Company for any charitable purposes.
- (28) Before declaring any dividend to set aside such portion of the profit of the Company as they think fit to form a fund to provide for the pension, gratuities or compensation or create a provided fund or benefit fund in such manner as the Directors deem fit.
- (29) To realise, compound and allow time for the payment or satisfaction of any debts due to or by the Company and any claims or demands by or against the Company to arbitration and observe and perform the awards.

- (30) 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 debenture or debenture-stock, perpetual or otherwise, 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.

LOCAL MANAGEMENT

153. The Directors may from time to time provide for the 'Management' and transaction of the affairs of the Company in the specified location whether at home or abroad in such manner as they think fit and the provisions contained in the three next following Articles shall be without prejudice to the general powers conferred by this Article but subject to the provisions of Section 292 to 297 of the Act. *Local Management*
154. The Directors may from time to time, and at any time establish any local office or agencies for managing any of the affairs of the Company in such specified locality and may appoint any persons to be members of such local offices or any managers or agents and may fix their remuneration. And the Directors from time to time, and at any time, may subject to the provisions of Section 292 and 297 of the Act delegate to any person so appointed any of the powers and authorities and discretions for the time being vested in them and may authorise the members for the time being of any such local office or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and conditions as the Directors may think fit and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. *Local Office delegation*
155. The Director may at any time and from time to time by power of attorney under the Company's seal, appoint any person or persons to be the attorneys of the Company for such purposes and subject to the provisions of Sections 292 to 297 of the Act with such powers, authorities and discretion not exceeding those vested in or exercisable by the Directors under these presents and for such period and subject to such conditions as the Directors may from time to time think fit, and any such appointment may if the Directors may think fit, be made in favour of the members or any Company, or of the members, directors, nominees, or managers of the Company or firm or in favour of any fluctuating body persons whether nominated directly or indirectly by the Directors, and any such powers of attorney may contain such provisions for the protection of persons dealing with such attorneys as the Directors think fit.
156. Any such delegates or attorneys aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. *Sub-delegation*

MANAGING/WHOLE-TIME DIRECTORS

157. The Company by ordinary resolution or the Directors may subject to the provisions of Sections 268 and 269 of the Act, from time to time appoint one or more of the Directors to be Managing Director or Managing Directors or other whole-time Directors of Company for a term not exceeding five years at a time and may from time to time *Appointing Managing whole-time Director*

subject to the provisions of any contract between him or them and the Company remove or dismiss him or them from office and appoint another or others in his or their place or places.

*What provisions
he will subject
to retirement*

158. A Managing or other whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Director or in fixing the number of Directors in retire, but subject to the provisions of any contract between him and the Company he shall be subject to the provisions as to resignation and removal as removal as the Directors of the Company and he shall 'ipso facto' and immediately, cease to be a Managing Director or whole-time Director if he ceases to be a Director from any cause.
159. Subject to the provisions of Sections 309, 310 and 311 of the Act a Managing Director or whole time Director shall, in addition to the usual remuneration payable to him as a Director of the Company under these articles, receive such additional remuneration as may from time to time be sanctioned by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both provided that such percentage shall not exceed five per cent for any one Managing or whole-time Director and ten per cent for all of them together.
160. The Directors may, subject to the provisions of Sections 291 to 297 of the Act, from time to time entrust to and confer upon a Managing Director or whole-time Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient; and they may confer such powers either collaterally with or to the exclusion of, and substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

MANAGER

161. Subject to the provisions of the Act, the Board shall have powers to appoint or employ any person to be the manager of the Company upon such terms and conditions as the Board thinks fit and the Board may, subject to the provisions of Section 291 of the Act, vest in such manager such of the powers, vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such periods, and upon such conditions and subject to such restrictions as it may determine, and at such remuneration as it may think fit.

*Director may be
appointed as
Manager*

162. A Director may be appointed as Manager.

SECRETARY

Secretary

163. The Board may from time to time appoint or employ a person to be the secretary of the Company upon such terms and conditions and remuneration as it thinks fit to perform any functions which by the Act or the Articles for the time being of the Company are to be performed by the Secretary, and to execute any other purely

ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some persons (who need not to be the Secretary) to keep the register required to be kept by the Company.

164. Subject to the provisions of the Act, a Director may be appointed as Secretary.

Directors may be appointed as Secretary

SEAL

165. (a) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Directors shall provide for the safe custody of the seal for the time being.

Director provide a common Seal and its Custody

- (b) The seal shall not be affixed to any instrument except in the presence of Director or an officer duly authorised who shall sign every instrument which seal shall be affixed. Provided nevertheless, that any instrument other than a share certificate 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 Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (issue of share Certificates) Rules, 1960 shall apply.

Use of Seal

- (c) The Directors may provide for use in any territory outside India unofficial seal subject to the provisions of Section 50 of the Act.

Official Seal for use outside India

ANNUAL RETURNS

166. The Company shall make the requisite Annual returns in accordance with Section 159 and 160 of the Act.

Annual Returns

RESERVES

167. The Board may from time to time, before recommending any dividend set apart any such portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or the liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company, and may subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares in the Company) as it may think fit, and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the reserves into such special funds as it thinks fit, with full power to employ the reserves or any part thereof in the business of the Company, and that without being bound to keep separate from the other assets. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve.

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*Investment of
the Money*

166. All money carried to the reserves shall nevertheless remain and be the profit of the Company applicable, subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may subject to the provisions of Sections 370 and 372 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or be kept at any Bank as deposit or otherwise as the Board may from time to time think proper.

CAPITALISATION OF PROFITS

Capitalisation

169. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve :-
- (a) to capitalise whole or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards :-
- (i) Paying up any amounts for the time being on any shares held by such members respectively;
 - (ii) Paying up in full, un-issued shares, of the Company to be allotted and distributed, credited as fully paid up, to be and amongst such members in the proportion aforesaid; or
 - (iii) Partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2).
- (3) A share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance to this Article.

*Board may
make appoint-
ments etc.*

170. (1) Whenever such a resolution as specified shall have been passed the Board shall :-
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

- (b) generally do all acts and things required to give effect thereto.

(2) The Board shall have full power :-

- (a) to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and also
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up, of any further shares or debentures to which they may be entitled upon such capitalisation of (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.

- (3) Any agreement made under such authority shall be effective and binding on all such members.

INTEREST OUT OF CAPITAL

171. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or buildings, or the provisions of any plant, which cannot be made profitable for a lengthy period the Company may pay interest on so much of that share capital as is for the time being paid up, for the period and at the rate and subject to the conditions and the restrictions imposed by Section 208 of the Act and may charge the sum so paid by way of interest to Capital as part of the cost of construction of the work or building or the provisions of plant.
- Interest out of capital*

DIVIDENDS

172. Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity shares of the Company, but so that holder of partly paid-up share shall be only entitled to such a proportion of the distribution upon a fully paid-up share proportionately to the amount paid or credited therein during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms of providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.
- How profit shall be divisible*
173. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and

subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid-up or the shares held by them respectively.

- | | | |
|--|------|---|
| <i>Declaration of Dividends</i> | 174. | The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may subject to the provisions of Section 207 of the Act, fix time for payment. |
| <i>Amount of Dividends</i> | 175. | No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend. |
| <i>Dividends out of profits only</i> | 176. | No dividend shall be payable except out of the profits of the Company or out of monies provided by the Central or State Government for the payment of dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company. |
| | 177. | The declaration of the Board as to the amount of the net profits of the Company shall be conclusive, subject to the provisions of the Act. |
| <i>Interim dividend</i> | 178. | The Directors, if in their opinion, the position of the Company justifies may from time to time without the sanction of a general meeting pay Interim dividends to one or more class of shares to the exclusion of others at rates which may be differing from class to class and when declaring such dividend they should satisfy themselves that the preference shares which have prior claim in respect of payment of dividend shall have their entire rated dividend at the time of final preparation of the accounts for the period. |
| <i>Debts may be deducted</i> | 179. | No member shall be entitled to receive payment of and dividend in respect of his share or shares whilst any money may be due or owing from him as is presently payable to the Company in respect of such share or shares or otherwise on account of any debts, liabilities or engagements of the members of the Company, either alone or jointly with any other person or persons and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company. |
| <i>Dividend and call together</i> | 180. | Any General meeting declaring a dividend may make a call on the members for 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 made earlier be payable at the same time as the dividend and the dividend may if so arranged between the Company and the member, be set off against the call. The making of a call under this Article shall be deemed ordinary business of an ordinary meeting which declares dividend. |
| <i>Effect of Transfer</i> | 181. | A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the Company. |
| <i>Retaining of dividend under transmission clause</i> | 182. | The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a member or which any person under that Article |

is entitled to transfer until such person shall become a member in respect thereof or shall transfer the same.

183. The Directors may retain any dividend on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. *Retaining of dividend on which the Company has a lien*
184. Any one of several persons who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares. *Joint-holders*
185. Notice of any dividend whether interim or otherwise, shall be given to the person entitled to share therein the manner hereinafter provided. *Notice of any Dividend*
186. Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the register in respect of the joint-holding or to such person and at such address as the member or person entitled or such other joint-holder 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 or to the order of such other person as the member or person or such joint-holders, as the case may be, may direct. *Payment by post*
187. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with all the provisions of Section 205 of the Act in respect of any unclaimed or unpaid dividend. *Unclaimed Dividends*
188. The Company shall not be responsible for the loss of any cheque, dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office beforehand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or to the fraudulent recovery thereof by any other means.

BOOKS AND DOCUMENTS

189. The Director shall cause to be kept in accordance with Section 209 of the Act proper books of accounts with respect to :- *Books of accounts to be kept*
- (a) all sums of money received and spent by the Company and the matters in respect of which the receipt and expenditure take place.
 - (b) all sales and purchases of goods by the Company.
 - (c) the assets and liabilities of the Company.
190. The books of accounts shall be kept at the office or at such other place as the Board thinks fit and shall be open to inspection by the Directors during business hours.

*Inspection by
Members*

191. The Directors shall from time to time, subject to the provisions of Sections 163, 194 and 219 of the Act determine whether and to what extent and what time and places and under what conditions, the documents and register or any of them maintained by the Company in which inspection is allowed by the Act shall be kept open for the inspection of the members. Till decided otherwise by the Board, such documents and registers shall be kept open for inspection to the persons entitled thereto between 11 A.M. and 1 P.M. on all working days. No member (not being a Director) shall have any right for inspection of any account or book or documents of the Company except as conferred by law or by Act or authorised by the Directors, or by resolution of the Company in general meeting and no member, not being a Director shall be entitled to receive any information concerning the business, trading or customers of the Company or any trade secret or secret process of or used by the Company.

AUDIT

Audit

192. Once at least in every year the books of accounts of the Company shall be examined by one or more Auditor or Auditors.

*Appointment of
Auditors etc.*

193. 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.

Branch Audit

194. Where the company has a branch office, and provisions of Section 228 of the Act shall apply.

*Rights of
Auditor to attend
General Meeting*

195. All notice of, and other communication relating to any General Meeting of the Company which any member of the Company is entitled to have been 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 to any part of the business which concerns him as an auditor.

*Auditor's Report
to be read*

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

*When account
to be redeemed
to be settled*

197. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive in respect of transactions of the Company for the relevant year.

SERVICE OF NOTICE AND DOCUMENTS

*Service of
documents and
notice to
members*

198. The Company shall comply with the provisions of Sections 53, 172 and 190 of the Act as to the serving of notices.

*Accidental
omission not to
invalidate*

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

200. 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. *Transferees etc. bound by prior notice*
201. The signature to any notice to be given by the Company may be written, printed, or lithographed. *Mode of Signature*
202. 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, be and whether or not the Company has have whether registered solely or jointly with other persons, until some other person be registered in his stead as the member in respect thereof and such service for all purposes of the member in respect thereof and such service for all purposes of the Article be deemed a sufficient service of such notice or document on his or her heirs, executors, administrators and all persons, if any, jointly interested with him or her in any such share. *Notice valid through Member deceased*
203. Any notice required to be given by the Company to the members or any of them and not expressly provided for these Articles or by the Act shall be sufficiently given by advertisement. *When notice may be given by advertisement*
204. Any notice required to be or which may be given by advertisement shall be advertised in one or more newspapers circulating in the neighbourhood of the registered office. *How to do advertisement*
205. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear. *When notice by advertisement deemed to be served*

RECONSTRUCTION

206. On any sale or any part of the undertaking of the Company the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either then existing or to be formed for the purchase in whole or in the part of the property of the Company, and the Board (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, benefits or property, otherwise than in accordance with the strict legal rights of the member, contributories of the Company, and for the valuation of any such securities or property at such price and in such manner at the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act, be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation there to save only in case the Company is proposed to be or is in the course of being wound up and subject to the provisions of Section 484 of the Act as are incapable of being varied or excluded by these Articles. *Reconstruction*

WINDING UP

Right of preference share-holders

207. On winding Preference Shares shall rank as regards Capital in priority to Equity Shares, to the extent of the paid-up value of the said shares but to no other rights participating in its assets.

Distribution of assets in specie

208. (1) Subject to the provisions of the Act, if the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Act divide amongst contributories in specie or kind the whole or any part of the assets of the Company whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (3) The liquidator may, with the like sanction of a special resolution, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories or any of them as the liquidator shall think fit.

Distribution of assets

209. (1) In the event of the Company being wound up, the holder 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 repaying to them the amount paid-up to the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets 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 that the losses shall be borne by the holders of preference shares as nearly as may be in proportion to the capital paid-up which ought to have been paid-up on the shares held by them at the commencement of the winding-up 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-up 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 right and privileges amongst holders of preference shares of different series.

SECRECY

Secrecy

210. Subject to provisions of Section 635B of the Act, every Director, Manager, Auditor, Trustee, Member of a committee, Officer, Servant, Agent, Accountant or other person employed in business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its

customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

211. No member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or subject to Article 191 to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and within the opinion of the Directors it will be inexpedient in the interest of the Company to communicate.
- No member to enter the premises of the company without permission*

INDEMNITY

212. Every Director, 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 by the Company as Auditor shall be indemnified out of the assets of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Secretary, Officer 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*
213. Save and except so far as the provisions of these articles shall be avoided by Section 201 of the Act, the Board Managers, Auditors, Secretary and other Officers or servants for the time being of the Company and trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them and every one of their executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their executors or administrators shall sustain by reason any act done, concurred in or committed in or about the execution of their duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through or by their own wilful neglect or default respectively and none of them shall be answerable for the act, receipts, neglects or default of the other or others of them or for joining in any receipt for the sake of conformity or for any bankers or other persons with whom any moneys or effects belonging to the Company shall be deposited or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed or invested or for any other loss, misfortune or damages which may happen in the execution of their respective offices or trusts or in relation thereto unless the same shall happen by or through their own wilful neglect or default respectively.

We, the several persons, whose names and addresses are hereunder subscribed, are desirous of being formed into a Company in pursuance of these *ARTICLES OF ASSOCIATION*, and we respectively agree to take the number of equity shares in the capital of the Company set opposite to our respective names :

Name, Address, Descriptions & Occupations of Subscriber	No. of Equity Shares taken by each Subscriber	Signature of Subscriber	Names, Addresses, Descriptions and Occupations of Witnesses
1 SHYAM RATAN AGARWAL S/r. Shri Mangal Chand Agarwal 15/1, Bireshwar Banerjee Street, P. O. Gadakhali, Dist. Hooghly SERVICE	10 (Ten) Equity	Sd/-	Sd/- VIJAY SHARMA S/o. M. C. Sharma 35, Old Hanuman Lane, Bombay - 400 092. SERVICE
2 TARUN KUMAR SHARMA S/o. Sri Dhanosh Sharma 59, J. B. Nagar, Anandri (East), Bombay - 400 059. SERVICE	10 (Ten) Equity	Sd/-	
3 SHYAM SUNDAR JAJOO S/o. Late Ram Gopal Jajoo C/o. 405, Satyanarayan Bhawan, 7/1, R. G. Bhandari Road, Bombay - 400 023. SERVICE	10 (Ten) Equity	Sd/-	
4 K. GOPINATHAN S/o. Late Sri K. Gopalan Geeta Bhawan, 1st Floor, N. S. Road, Dombivli, Thane. SERVICE	10 (Ten) Equity	Sd/-	
5 PRAKASH PETER S/o. S. Peter B/30, 11th Floor, M & M Krishna Nagar, Bombay - 400 063. SERVICE	10 (Ten) Equity	Sd/-	
6 VISHWANATH SHARMA S/o. Sri Ram Gopal Sharma S. No. 7, B. No. 128, R. No. 4006, Bombay - 400 037. SERVICE	10 (Ten) Equity	Sd/-	
7 BRIJ BIKARI SHARMA S/o. Puranmal Sharma 29, Bank Street, Bombay - 400 023. SERVICE	10 (Ten) Equity	Sd/-	
TOTAL	70 (Seventy) Equity		WITNESS TO ALL THE SIGNATORIES

Dated the 10th day of June, 1985

For SEQUENT SCIENTIFIC LIMITED

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