MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
Rapicut Carbides Limited

CERTIFICATE OF INCORPORATION

No. 2998 1977-78.

I hereby certify that RAPICUT CARBIDES LIMITED

* * * * *

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

Given under my hand at AHMEDABAD

this FIFTH day of APRIL

One thousand nine hundred and SEVENTY SEVEN.

THE REGISTRAR OF COMPANIES

(J.G.GATHA)
Registrar of Companies,
Gujarat

J. S. C.-1.

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

RAPICUT CARBIDES LIMITED

I. The name of the Company is RAPICUT CARBIDES LIMITED.

II. The Registered Office of the Company will be situated in the State of Gujarat.

III. The Objects for which the Company is established are :—

(A) The Main Objects of the Company to be pursued by the Company on its incorporation :

(1) To carry on in India and elsewhere business as manufacturers, buyers, sellers, importers, exporters, dealers, distributors, agents and representatives of powder metallurgical products of ferrous and non-ferrous metals including tungsten and tungsten carbide products for metal cutting, mining, wear part and other applications, jigs and fixtures, gauges, dies and other tools and their accessories and to establish, acquire, adapt, expand and, run factories, workshops, toolrooms, laboratories, test houses, gasplants and all appurtenant and ancillary establishments therefor.

(2) To carry on the business of mechanical, electrical, hydraulic, electronic, metallurgical, chemical, precision and general engineers, machine and engineering tool makers, fitters, boiler makers, builders of steel frame buildings and bridges and steel and iron structures and to buy, sell, import, export, design, manufacture, repair, convert, let on hire and to deal in machinery and machine tools.

(3) To carry on business of iron founders, brass founders, smiths, carpenters, wood workers, pattern makers, metal workers, iron and steel converters, smith fitters, metallurgical plate makers, iron and steel manufacturers, smelters, and to deal in, buy, sell, import, export, manufacture, repair, convert, let on hire machinery, rolling stock, iron, steel, and other metal implements, tools, utensils.

(4) To carry on business as electro-platers, nickel platers, chromium platers, bronzers, oxidisers and metal platers generally, painters, varnishers, lacquerers, enamellers and polishers.

(B) The Objects incidental or ancillary to the attainment of the Main Objects are :—

(5) To purchase, take on lease or exchange, or hire or otherwise acquire any immovable or movable property and any rights or privileges which may seem necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant, stock-in-trade, and either to retain any property to be acquired for the purpose of the Company's business or to turn the same to account as may seem expedient.

(6) To construct, maintain, and alter any buildings or works, necessary or convenient for the purposes of the Company.

(7) To repair, alter, remodel, clean, renovate, convert, manipulate and prepare for resale and resell any goods from time to time belonging to the Company.

(8) To take or otherwise acquire and hold shares of any other company having objects altogether or in part similar to those of the Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit the Company.

(9) To invest and deal with the moneys of the Company not immediately required in any manner.

(10) To lend money to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company, and to guarantee the performance of any contract by any such persons or companies.

(11) To appoint Directors or Managers of any subsidiary company or of any other company in which this Company is or may be interested.

(12) To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.

(13) To take part in the management, supervision and control of the business or operation of any similar company or undertaking.

(14) To open an account or accounts with any individual firm or company or with any bank or banks or financial institutions and to pay into and withdraw money from such account or accounts.

(15) For the purpose mentioned in the preceding clause, to appoint and remunerate any Directors, trustees, accountants or other experts or agents.

(16) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.

(17) To enter into any arrangements with any government or authorities, supreme, municipal, local or otherwise or any person or Company that may seem conducive to the objects of the Company, or any of them, and to obtain from any such government, authority, person or company any rights, privileges, charters, contracts, licences and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply therewith.

(18) To pay for any rights or property acquired by the Company, and to remunerate any person or company, whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.

(19) To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any

other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.

(20) To act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or jointly with others, and either by or through agents, sub-contractors, trustees or otherwise.

(21) To apply for, purchase, or otherwise acquire any patents, licences, concessions, and the like, conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and lo use, exercise, develop, or grant licences in respect of, or otherwise turn to account the property rights or information so acquired.

(22) To acquire and undertake the whole or any part of the business, property, and liabilities of any person or company carrying on any business which the Company is authorised to carry on, or possess property suitable for the purposes of the Company.

(23) To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure or reciprocal concession or for limiting competition with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.

(24) To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.

(25) To apply for, promote and obtain any act, charter, privilege, concession, licences or authorisation of any Government, State or Municipality, for provisional order or licence of any authority for enabling the Company to carry any of its objects into effect, or for extending any of the powers of the Company, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

(26) To pay all preliminary expenses of any company promoted by the Company or any company in which this Company is or may contemplate being interested, including such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by the Company.

(27) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company for the time being.

(28) To carry out in any part of the world all or any part of the Company's objects as principal, agent, factor, trustee, conductor, consultant or otherwise, either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state, body politic or government or colony or dependency thereof.

(29) To make donations to such persons or institutions, either of cash or any other assets, as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular, to remunerate any person or corporation introducing business to this Company and to subscribe or guarantee money for any exhibition or for any public, general or other objects.

(30) To remunerate any person or company for services rendered or to be rendered in placing or assisting in placing or guaranteeing the placing of the shares in the Company's capital, or any debentures, debenture-stocks, or other securities of the Company, in or about the formation or promotion of the Company or the conduct of its business, subject to Section 76 of the Companies Act, 1956.

(31) To distribute as dividend or bonus among members or place to reserve or otherwise to apply as the Company may from time to time think fit, any money received by way of premium on shares or debentures issued at premium by the Company and any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the sale by the Company of forfeited or from unclaimed dividends, subject to the provisions of the Companies Act, 1956.

(32) To subscribe or guarantee money for national, charitable, benevolent, public, social, general or useful object or for any exhibition.

(33) To enter into contracts, agreements and arrangements with any other company, firm, or person for carrying out by such other company, firm or person on behalf of the Company any of the objects for which the Company is formed or for carrying out by the Company such machining and engineering jobs and undertakings as may be assigned to it.

(34) To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plants, machinery, apparatus, tools, utensils, receptacles, substances, materials, articles and things necessary or convenient for carrying on any of the business or process of the Company or usually dealt in by persons engaged in the like business or process.

(35) To let on lease or on hire-purchase system or to lend or otherwise dispose of any property or asset belonging to the Company and to finance the purchase of any article or articles, whether made by the Company or not, by way of loans or by the purchase of any such article or articles and the letting thereof on the hire-purchase system or otherwise howsoever.

(36) To sell, lease, grant licenses, easements and other rights over and in any other manner deal with or dispose of, the undertaking, property, assets, rights and effects of the Company or any part thereof, for any consideration and in particular for shares, debentures, or securities of any other company.

(37) To underwrite, acquire, take up and hold shares, stocks, debentures, debenture stock, bonds issued and guaranteed by the Company constituted or carry on business in India or in any foreign country in debentures, debenture stock, bonds, securities issued or guaranteed by any Government. Public body or municipal or local authority whether in India or in any foreign country.

(38) To refer or agree to refer any claims, demands, disputes or any other question, by or against the Company or in which the Company is interested or concerned, and whether between the Company and the member or members or his or their representatives, or between the Company and third parties to arbitration in India or at any place outside India, and to observe and to perform and to do all acts, deeds, matters and things to carry out or enforce the awards.

(39) Subject to the provisions of Section 205 of the Companies Act, 1956, to distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made, except with the sanction, if any, for the time being required by law.

(40) To make agreements and contracts for providing technical, scientific, operational, financial and/or marketing collaboration to the industries in India or outside India and to get availed of technical, scientific, operational, financial and/or marketing collaboration from foreign or Indian Companies, firms, associations, persons, Government, semi-Government or local bodies.

(41) To provide for or assist in the welfare activities of the persons in the employment of the Company and to buy or hire vehicles for the conveyance of the employees of the Company.

(42) To construct, purchase, take on lease or on rent, occupy or otherwise acquire constructions for residential or other purposes for the benefit of the Company or its employees, directors or any other person or persons dealing with or associated with the Company.

(43) To start or maintain charitable dispensaries or hospitals, gymkhanas, play-grounds, clubs, boarding houses or institutions, for the benefit of the Company's employees or for the public, so as to promote the Company's interests.

(44) To provide and conduct canteens, refreshment rooms, newspaper rooms, reading rooms, writing rooms, dressing rooms, telephone and other conveniences for the use of customers, employees and others.

(45) To provide for and furnish or secure for any members of the Company or to any subscribers or to purchasers or possessors of coupons or tickets issued by the Company any chattels, conveniences, advantages, benefits or special privileges which may seem expedient and either gratuitously or otherwise.

(46) To provide, conduct and to afford accommodation for meetings and gatherings of all descriptions, whether social, commercial or otherwise and to let upon leave and licence or otherwise, the whole or any part of the property of the Company for any of the above mentioned purposes or otherwise.

(47) To construct, erect, maintain either by the Company or other parties, sewers, roads, streets, tramways, railways, gas works, water works, brick lines and works, buildings, houses, flats, shops and other works, erections and things, of any description, whatsoever, either upon the land acquired by the Company or upon other lands and generally to alter and improve the land and other properties of the Company.

(48) To train or pay for the training in India or abroad of any member or any of the Company's employees or directors or any other candidates in the interests and for the furtherance of the Company's business.

(49) To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works or arts of interest, by publication of books and periodicals and by granting prizes, rewards and donations.

(50) To apply the assets of the Company in or towards the establishment, maintenance or extension of any association, institution or fund connected with any particular trade or business, in general including any association or fund, for the protection of interests of Company against loss by bad debts, strikes, combinations, fire, accidents or otherwise or for the benefit of employees, clerks, workmen or others at any time employed in the Company or any of its predecessors in the business or their families or dependents and to aid particularly or otherwise, any association or body or movement having as its object, the solution or settlement, of any industrial or labour problems or the promotion of industry or trade.

(51) To procure the Company to be registered or recognised in any part of the world.

(52) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

(C) Other Objects :

(53) To establish, maintain, conduct or buy or sell or otherwise subsidise research laboratories, experimental workshops for scientific and technical research and experiments and tests of all kinds and promote scientific research and studies, investigations, and inventions, by subsidising, endowing, assisting, arranging laboratories, workshops, libraries, lectures, meetings, conferences, and by providing for the remuneration of scientific or technical professors and teachers and generally to encourage and promote all kinds of scientific or technical researches, experiments of general benefit and in particular for benefit of the business of the Company.

(54) To carry on business as consultants in civil, electrical, mechanical, metallurgical, chemical and all other branches of engineering and to provide all types of consulting services including the making of surveys and reports thereon, and preparing designs, making estimates, preparing evaluations and economic studies and furnishing all other services required to enable clients to consider the feasibility and execution of all types of work for consideration in terms of fees, royalties, participation in profit or lumpsum payments or any other mode in cash, kind or otherwise.

(55) To carry on the business of manufacturers of every sort of missiles, arms and weapons for war like, sporting or other purposes only with the prior sanction of the Government, required, if any.

(56) To manufacture all kinds of metal equipments, plants, boilers, ovens, jigs and fixtures, dies, moulds, cupolas, accessories, tins, containers, nails, nut bolts, screws, angles and slotted angles, pipes, and utensils and to carry on the business of ceramic, electrical, electronic and civil engineers.

(57) To carry on the business of manufacturers of, dealers in, hirers, repairers, cleaners, stores, and warehouses of motor cars, motor cycles, side-cars, motor scooters, bicycles, carriages, launches, boats, vans, aeroplanes, hydroplanes, and other conveyances of all descriptions whether propelled by means of petrol, spirit,

steam, gas, electrical, animals or other power and of engines, chassis, bodies, and other things used for or in connection with motor and other things.

(58) To manufacture small tools, vices, water heaters, agricultural implements, appliances, generators, pneumatic tools, sheet metal working machinery, automobile, aircraft and steamship spare parts, stationary type engines, steel furnitures, sheet metal articles, bearings, drainage and water supply articles, textile and railway machinery spare parts, mining tools, air compressors, printing machine, cooking machinery, civil engineering machinery, washing machinery, building and construction machinery, road making machinery, toys, sports goods, appliances for office equipment and in general to manufacture anything in the line of workshop practice by cutting, joining, pressing, drawing, blowing, welding, forging, and similar other engineering processes and to manufacture, buy, sell, export, import, or otherwise deal in all kinds of metalware, hollow-ware, stone-ware or earthen-ware, machinery, spare parts and accessories of industrial or mechanical equipment.

(59) To acquire, be interested in, construct, maintain or take on lease any omnibuses and other vehicles, ships, boats, barges and launches, of every description and kind, to equip and maintain, work and develop the same by electricity, steam, oil, gas, petroleum or any other motive power, and to employ the same in the conveyance of passengers, merchandise and goods of every description, and to authorise any local authority, company or person to use and to work the same or any part thereof.

(60) To carry on the business of manufacture, buy, sell, import, export and deal in all types of merchandise commodities and articles of all kinds and generally to carry on business as merchants, indentors, importers, and exporters and in any other capacity as the dealers generally carry on.

(61) To carry on all kinds of exploration business, and in particular to search for, prospect, examine, and explore mines and ground supposed to contain minerals or precious stones, and to search for and obtain information in regard to mines, mining claims, mining districts and localities.

(62) To carry on all kinds of promotion business and in particular to form, constitute, float, lend money to assist and control any companies, associations or undertakings whatsoever.

(63) To transact and carry on all kinds of agency business.

(64) To carry on in India or elsewhere all or any one or more of the following businesses, namely, the buying, selling, letting on hire, hire purchase, or easy payment system, manufacturing, taking or providing on contract of and dealing in household or office furniture and domestic or business appliances, installation fittings, machinery, motor-cars, taxi-cabs, automobiles, motor-lorries and wagons and motor vehicles of all kinds or descriptions, cycles, bicycles, coaches, carriages and all other vehicles, agricultural implements and machinery of all sorts, furniture, wireless and television receivers, or other apparatus and all other things of whatsoever nature or description.

(65) To undertake and execute any contracts for works involving the supply or use of any machinery, and to carry out any ancillary or other works comprised in such contracts.

(66) To carry on business as hotel keepers, lodging house and restaurant keepers, transport agents, insurance agents and bankers.

(67) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plants, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers of or persons having dealings with the Company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products or residual and by-products incidental to or obtained in any of the businesses carried on by the Company, but the Company shall not carry on business of Banking as defined under the Banking Regulation Act, 1949.

And it is hereby declared that the Objects incidental or ancillary to the attainment of the Main Objects of the Company aforesaid shall also be incidental or ancillary to the attainment of the Other Objects of the Company herein mentioned.

(68) To carry on any other business (whether manufacturing or otherwise) which in the opinion of the Board of Directors of the Company, is capable of being advantageously or conveniently carried on by the Company in connection with or as ancillary to any of the Company's Objects or which it may be advisable to undertake with a view to developing, rendering valuable, prospecting or turning to account, any property, real or personal, belonging to the Company, or in which the Company may be interested.

IV. The liability of the members is limited.

The existing Clause V altered by deleting the same and substituting in its place and stead, the following as new Clause V.

Clause V:

The Authorised Capital of the Company is Rs.8,00,00,000 (Rupees Eight Crores) divided into 80,00,000 (Eighty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being, with power to increase or reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

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

	Name, description & signatures of subscribers	Addresses and occupation of subscribers	No. of shares taken by each Subscriber	Witness
1.	Taro Khubchandani S/o Rewachand Khubchandani Sd/- T. R. Khubchandani	434/(327) Sind Housing Society, Aundh, Pune 411 007 Business	One Equity Share (1)	
2.	Shankar Pendsay S/o Govind Pendsay Sd/- S. G. Pendsay	39/52, Chhaya, Prabhat Road, Lane 9, Pune 411 004 Business	One Equity Share (1)	
3.	Sahib Das Khemani S/o. Sitaldas Khemani Sd/- S. Khemani	510/(480) Sind Housing Society, Aundh, Pune 411 007 Business	One Equity Share (1)	
4.	Jagdish Bhatia S/o. Chetandas Bhatia Sd/- J. C. Bhatia	91, Anjali Arthur Bunder Road, Colaba, Bombay 400 005 Business	One Equity Share (1)	Sd/- D. N. Shukla Chartered Accountant (Divakar Nandlal Shukla) 9H, Ismail Building, 381. Dr. D. N. Road, Fort, Bombay 400 001
5.	Yeshvant Chigteri S/o Bharmappa Padmappa Chigteri Sd/- Y. B. Chigteri	17, Yeshvant Nagar, Pune 411 007 Business	One Equity Share (1)	
6.	Taraprakash Vartak S/o Prabhakar Vartak Sd/- T. P. vartak	87/1-C, Parvati, Pune 411 009 Business	One Equity Share (1)	
7.	Udaykumar Gujar S/o Bhanudas Gujar Sd/- U. B. Gujar	555, Narayan Peth, Pune 411 030 Chartered Accountant	One Equity Share (1)	

Dated : the 4th day of April, 1977

ARTICLES OF ASSOCIATION

OF

RAPICUT CARBIDES LIMITED

I. GENERAL

1. In these regulations :

   Unless the context otherwise requires : — Interpretation

   (a) the words or expression contained in the regulations shall bear the same meaning as in the Act or any statutory modifications thereof.

   (b) 'the Act' means the Companies Act, 1956.

   (c) 'the Seal' means the Common Seal of the Company.

   (d) Words importing singular shall include plural and vice versa and words importing persons shall include bodies corporate.

   (e) 'month' and 'year' mean a calendar month and a calendar year respectively.

   (f) Expressions referring to writing shall be constructed as including reference to printing, lithograph, photography and other modes of representing or reproducing words in a visible form.

2. Regulations contained in Table A in the First Schedule to the Companies Act, 1956 shall apply so far and so far only as they are not inconsistent with any of the provisions contained in these Regulations. — Application of Table A in Schedule I of the Act-

By deleting the existing Clause (a) of Article 3 and substituting in its place and stead, the following as new Clause (Article 3.

Article 3 (a) :

The Capital of the Company is Rs.8,00,00,000 (Rupees Eight Crores) divided into 80,00,000 (Eighty Lacs) Equity Shar Rs.10/- (Rupees Ten) each.

provision of Sections 80 and 85 of the Act or any statutory modifications thereof. Provided that the Company shall not issue after 15th June, 1988, any preference share which is irredeemable or is redeemable after the expiry of a period of ten years from the date of its issue. — ... redeemable preference shares

(c) Where at any time subsequent to the first allotment of shares, it is proposed to increase the subscribed capital by the issue of new shares, such new shares shall be issued in accordance with the provisions of Section 81 of the Act, or any statutory modifications thereof. — Further issue of share capital subsequent to the fist allotment of shares

(d) The Company shall have power to issue shares at a premium, but in doing so, the Company shall comply with the provisions of Section 78 of the Act or any statutory modifications thereof. — Power to issue shares at a premium

4. The shares shall be under the control of the Board of Directors who may allot or otherwise dispose off them to such persons on such terms and conditions and at such times as the directors may think fit provided however directors shall comply with the provisions of Sections 42, 69, 70, 71, 72, 73 and 76(2) of the Act or any statutory modifications thereof. Option or right to call of shares shall not be given to any person or persons except with the sanction of the company in General Meeting.

III. ALTERATION OF SHARE CAPITAL

5. (1) The Company shall have power to alter the conditions of its memorandum as follows, that is to say, it may;

Increase of share capital

(a) increase its share capital by such amount as it thinks expedient by issuing new shares:

Consolidation and division of shares

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:

Sub-division of shares

(c) 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 share shall be the same as it was in the case of the share from which the reduced share is derived;

Cancellation of shares

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

Above powers to be exercised in General Meeting

(2) The powers conferred by this regulation shall be exercised by the Company in general meeting and shall not require to be confirmed by the Court.

Reduction of share capital

6. The Company shall have power to reduce the share capital in the manner provided for in Section 100 of the Act or any statutory modifications thereof.

7. The Company shall have power :

Reduction of Share Premium Account

(a) to reduce any share premium account in accordance with the provisions of Section 78 read with Section 100 of the Act or any statutory modifications thereof.

Reduction of Capital Redemption Reserve Fund

(b) to reduce any capital redemption reserve fund in accordance with Section 80 read with Section 100 of the Act or any statutory modifications thereof.

IV. PAYMENT OF COMMISSION AND BROKERAGE

Disclosure of the rate of commission

8. (a) The Company may exercise the powers of paying commission provided that the rate per cent or the amount of commission paid or agreed to be paid shall be disclosed in the manner required by Section 76 of the Act or any statutory modifications thereof.

Maximum rate of commission

(b) The rate of the commission shall not exceed the maximum percentage provided for in Section 76 of the Act or any statutory modifications thereof.

Commission how paid

(c) The commission may be satisfied by payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

Power to pay Brokerage

(d) The Company may also on any issue of shares, pay such brokerage as may be lawful.

Alteration of rights to any class of shares how effected

9. (a) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the snares of that class) may subject to the provisions of Sections 106 and 107 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of

that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

(b) Subject to the provisions of Section 170(2) (a) and (b) of the Act or any statutory modifications thereof, to every such separate general meeting, the provisions of these Regulations relating to general meetings shall mutatis mutandis 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 question.

Provision relating to General Meeting how far applicable to Meetings of different classes of shareholders

(c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Conditions under which rights conferred upon holders of shares of any class be varied by creation or by issue of further shares

V. TRUSTS-ENTRY IN REGISTER OF MEMBERS

10. Subject to Section 49 of the Act and without prejudice to the provisions of Section 42(2)of the Act, or any statutory modifications thereof, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

Trust not ordinarily recognised

VI. CERTIFICATES

11. (a) Every member shall be entitled to a certificate under the Common Seal of the Company signed by two Directors and the Secretary or any other person authorized in that behalf, the Company specifying by number, the share or shares, held by him/her/it and the amount paid up thereon. Such certificates of title to shares shall be delivered, in accordance with the provisions of Section 113 of the Act, within three months after the allotment of any of its shares and within two months after application for registration of any such shares.

Certificate of title to shares

(b) Every member in the first instance shall be entitled to one or more certificates as issued by the Company for all the shares registered in his/her/its name, and every certificate of shares shall specify the number or numbers of shares in respect of which it is issued, and the amount paid up thereon or credited thereto.

One certificate for all shares

(c) If any certificate be worn out, defaced, destroyed, or lost, a new one or new ones may be issued in lieu thereof, on production to the Directors of evidence satisfactory to them of its being worn out, defaced, destroyed, or lost, or in default of such evidence, on such indemnity being given as the Directors may think sufficient.

Issue of a new certificate in lieu of one defaced. lost or destroyed

(d) A fee of Re. 1 /- shall be charged in respect of every new certificate besides the out-of-pocket expenses incurred by the Company in investigating evidence or indemnity required by the Directors of the Company. Provided that no fees shall be charged for splitting or consolidation of share certificates into lots of the market unit or for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for registering transfers have been fully utilised.

Fee for new certificate

(e) In respect of share or shares held jointly by several persons, the delivery of certificate for a share to one of several joint share holders shall be sufficient delivery to all such shareholders.

Issue of Certificate in case of joint shareholders

VII. CALLS ON SHARES

Calls and restrictions thereon

12. (a) (i) The Board may, from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one half of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Notice of call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company at the time or times and place so specified the amount called on his shares.

Revocation and postponement

(iii) A Call may be revoked or postponed at the discretion of the Board.

When call deemed to be made

(b) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

Liability of joint-holders

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

Interest payable on call, if not paid on time

(d) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the persons from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 18% per annum or at such lower rate, if any, as the Board may determine.

Power of the Board to waive payment of interest

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

Sums payable on allotment deemed to be calls

(e) (i) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

Effect of non-payment

(ii) In case of non-payment of such sum, all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Power to accept unpaid share capital although not called up

(f) (i) Subject to the provisions of Section 92 of the Act or any statutory modifications thereof the Board may if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him and

Interest on moneys paid in advance

(ii) upon all or any of the moneys so advanced, may (until the same would but for such advances, become presently payable) pay any interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct twelve per cent per annum or as may be agreed upon between the Board and the member paying the sum in advance. Provided that moneys paid in advance of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the Company.

VIII. LIEN

13. (a) 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 10 hereof will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of transfer of shares 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 exempt from the provisions of this clause.

Nature and extent of Company's lien

(b) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien :

Power of sale of shares on which there is a lien

Provided that no sale shall be made :

(i) unless a sum in respect of which the lien exists is presently payable, or

No sale unless the sum presently payable

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

Period after which the sale to be effected in the case of registered holder

(c) (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

Transfer of the shares subject to lien

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

Purchaser to be registered as share holder

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Purchaser's title unaffected

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

Application of proceeds of sale

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

Excess of sale proceeds to be paid to shareholder

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

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

IX. FORFEITURE OF SHARES

14. (a) If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so

much of the call or instalment as is unpaid, together with any interest which may have accrued.

Form of notice

(b) The notice aforesaid shall :

Date of Payment

(i) name a further day (not earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and

Effect of non-payment

(it) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.

(c) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Disposal of forfeited share

(d) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

Power to cancel forfeiture

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Liability on forfeiture

(e) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

Liability when ceases

(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

Declaration of forfeiture of Shares to be conclusive evidence

(f) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

Company to transfer shares on disposal

(ii) The Company may receive the consideration if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

Transferee to be shareholder

(iii) The transferee shall thereupon be registered as the holder of share.

Transferee's title to be unaffected

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeited, sale or disposal of the share.

Application of forfeiture provisions to sums payable otherwise than on calls

(g) The provisions of these Regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Effect of forfeiture

(h) The forfeiture of a share shall invoke the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

X. TRANSFER AND TRASMISSION OF SHARES

15. In registering transfer and transmission of shares, the Company shall comply with the provisions of Sections 108, 109, 110, 111, 112 and 250 of the Act or any statutory modifications thereof.

Certain provisions of the Act to be complied with in registering Transfer and Transmission of Shares

15(A) DEMATERIALISATION OF SECURITIES

For the purpose of this Article :

(i) Definitions

'Beneficial owner' means a person or persons whose name is recorded as such with a depository :

'SEBI' means the Securities & Exchange Board of India;

'Depository' means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate to act as a depository under the Securities & Exchange Board of India Act, 1992; and

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

(ii) Dematerialisation of Securities :

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

(iii) Options for Investors :

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(iv) Securities in depositories to be in fungible form :

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Rights of depositories and beneficial owners

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

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

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

(vi) Service of documents :

Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository of the Company by means of electronic mode or by delivery or floppies or discs.

(vii) Transfer of Securities :

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(viii) Allotment of Securities dealt with in a depository

Not with standing any thing in the Act or these articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive numbers of Securities held in a depository

Nothing contained in the Act or these Articles regarding the necessity of having Distinctive numbers for securities issued by the Company shall apply to securities held with depository.

(x) Register and index of beneficial owners

The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

16. (a) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

Who is to execute Transfer of Shares

(b) Shares in the Company shall be transferred in the form, prescribed by the Act.

Form of Transfer

(c) The Board may, subject to the right of appeal conferred by Section 111 of the Act, decline to register:

When the Board may decline to register transfer of shares

(i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve, or

(ii) any transfer of shares on which the Company has a lien.

Provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien.

(d) The Board may also decline to recognise any instrument of transfer unless:

Conditions to be fulfilled before registration of transfer

(i) a fee of Rupee One is paid to the Company in respect thereof;

(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and

(iii) the instrument of transfer is in respect of only one class of shares.

(e) The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine;

Power of Board to suspend the registration of transfer

Provided that such registration shall not be suspended for more than forty five days in any year and provisions of Section 154 of the Act are complied with.

(f) The Company will not charge any fee for the registration probates, letters of administration, certificate of death, or marriage, powers of attorney or other instrument.

Registration of probate, etc.

17. (a) (1) On the death of a member, the survivor or survivors where the member was a joint holder and his legal representatives where he was sole holder, shall be the only person recognised by the Company as having any title to his interest in the shares.

Transmission of shares. Title of legal representative on death of holder

(2) Nothing in clause (1) shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Liability in respect of the estate of the deceased joint holder

(b) (1) Any person becoming entitled to a share in consequence of the death or insolvency of member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

Rights of person entitled to shares on death or insolvency of shareholder

(i) to be registered himself as holder of the share or

(ii) to make such transfer of the share as the deceased or insolvent member could have made.

Board's right to decline or suspend registration in cases of transfer by legal representatives

(2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had applied for the transfer of the share before his death or insolvency.

Conditions to be fulfilled if such a person elects to be shareholder or to transfer shares

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

Procedure on electing to transfer shares

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

Extent of applicability of regulations 15 to transfer of shares effected by legal representative

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

Dividends and of voting power persons entitled to a share on death or insolvency of a member when entitled to

(d) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of it be entitled to exercise any right conferred by membership in relation to meetings of the Company.

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 share, 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.

XI. BORROWING POWERS

Power to borrow and limitation thereof

18. (a) The Company shall have power to borrow from any person or persons and secure the payment of any sum or sums of money for the purpose of the Company and the directors may from time to time at their discretion exercise this power and may themselves lend to the Company on security or otherwise provided that the directors shall not contravene the provisions of Section 293(1) (d) of the Act or any statutory modifications thereof.

Provided further that no debt incurred or security given in excess of limit imposed by Section 293(l)(d) of the Act shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit thereby imposed had been or was thereby exceeded.

Conditions and manner in which money may be borrowed

(b) The directors may raise or secure the repayment of any sum or sums in such manner and upon such terms and conditions in all respects as they may think fit, and in particular by the creation of any mortgage or charge on the undertaking of the whole or any part of the property, present or future, or uncalled capital of the Company or by the issue of bonds, perpetual or redeemable, debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future, including its uncalled capital for the time being.

Deposits

(c) The directors may receive deposits for such terms and bearing interest at such rates as the directors may decide from time to time. The deposits may be received from any person or persons including the directors and the shareholders of the Company. Any deposits received from the directors and shareholders of the

Company may be treated as a loan capital provided that the directors shall not contravene the provisions of Section 58A of the Act or any statutory modifications thereof.

(d) The directors shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act of charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act with regard to the registration of mortgages and charges. The register of charges kept in pursuance of Section 143 of the Act shall be open for inspection during business hours, subject to reasonable restrictions as the Company in General Meeting may impose so that not less than two hours in each day are allowed for such inspection to any creditor or member of the Company without fee and to any other person on a payment of a fee of Re. 1 /- for each inspection at the registered office of the Company.

Register of charges

XII. DEBENTURES

19. The Company shall have power to issue debentures but in exercising this power the provisions of Sections 56(3), 64, 67, 70 to 74, 108 to 113, 117 to 123, 128, 129, 133, 134, 152, 154, 170(2)(a) and (b), and 292 of the Act or any statutory modifications thereof shall be complied with.

Power to issue debentures and provisions of the Act to be complied with

XIII. GENERAL MEETING

20. (a) The Company shall comply with the provisions of Sections 165 to 197 of the Act or any statutory modifications thereof in the calling and conduct of meetings.

Application of Secs. 165 to 197

(b) The Company shall hold a general meeting of members of the Company, which shall be called the Statutory Meeting. In the calling and the conduct of statutory meeting, provisions of Section 165 of the Act or any statutory modifications thereof shall be complied with.

Statutory Meeting

(c) Without prejudice to the provisions of Section 167 of the Act or any statutory modifications thereof, the Company shall in addition to any other meetings, hold a general meeting which shall be styled the annual general meeting at such intervals, and in accordance with provisions of Section 166 of the Act or any statutory modifications thereof.

Annual General Meeting

(d) All general meetings other than the annual general meeting of the Company shall be called Extraordinary General Meetings.

Extraordinary General Meetings

(e) (i) The Board may whenever it thinks fit call an Extraordinary General Meeting.

Who may call Extraordinary General Meetings

(ii) If at any time, there are not within India, directors capable of acting who are sufficient in number to form a quorum, any director or any two members of the Company may call an Extraordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

(iii) Extraordinary General Meetings may be called by the members under the provisions of Section 169 of the Act and under conditions mentioned therein or any statutory modifications thereof, and by Government under conditions mentioned in Section 186 of the Act or any statutory modifications thereof.

Business deemed to be special

(f) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all that is transacted at an annual general meeting, with the exception of :

(i) the consideration of accounts, balance sheet and the reports of the Board of Directors and Auditors;

(ii) the declaration of a dividend;

(iii) the appointment of directors in the place of those retiring; and

(iv) the appointment of, and fixing of remuneration of auditors.

Application of Sec. 173

(g) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, the provisions of Section 173 of the Act or any statutory modifications thereof shall be complied with.

XIII(A). NOTICES FOR GENERAL MEETINGS

Period of Notice

21. (a) A general meeting of the Company may be called by giving not less than twenty one days notice in writing or after giving such shorter notice as provided for in Section 171(2) of the Act or any statutory modifications thereof.

To whom notice to be given

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

(i) to every member of the Company;

(ii) to the persons entitled to a share in consequence of the death or insolvency of a member;

(iii) to the auditor or auditors for the time being, of the Company; in the manner provided for in Section 172 of the Act or any statutory modifications thereof.

Accidental Omission not to invalidate meeting

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

XIII(B). CONTENTS OF NOTICE

Contents of Notice (General)

22. (a) Every notice of meeting of the Company shall contain the following :

(i) It shall specify the place, date and time of the meeting; and

(ii) It shall contain a statement of the business to be transacted thereat.

Matters relating to proxies

(b) In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of himself and that a proxy need not be a member.

Special resolution and Notice thereof

(c) The Company shall in the case of a resolution to be moved as a special resolution duly specify in the notice calling the general meeting or other intimation given to the members, of the intention to propose the resolution as a special resolution.

Notice of resolution requiring special notice

(d) The Company shall in compliance with Section 190 read with Sections 225, 261 and 284 of the Act or any statutory modifications thereof, give to its members, notice of resolution requiring special notice of the meeting or if that is not practicable, shall give notice at the same time and in the same manner as it gives them notice thereof, either by advertisement in a newspaper having a

circulation, in the State in which the registered office is situated not less than 21 days before the meeting.

(e) Subject to the provisions of Sections 225 and 284 of the Act or any statutory modifications thereof the receipt of representation, if any, made under Section 225 by a retiring auditor or under Section 284 by a director sought to be removed from office as a director must be stated in the notice of meeting given to the members of the Company if the representations are received in time.

The fact of the receipt of representations made under Secs. 225 and 284

XIII(C). DOCUMENTS TO BE ANNEXED TO THE NOTICE

23. (a) Where any items of business to be transacted at that meeting are deemed to be special in accordance with the provisions of Section 173 there shall be annexed to the notice of the meeting, "a statement setting out all material facts concerning each such item of business including in particular the nature and extent of the interest, if any, therein of every director and the manager, if any."

Statement under Sec. 173(2)

(b) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement mentioned above.

If business consists of the according of approval to documents

(c) A copy of every balance sheet including the profit and loss account, the auditors report and every other document required by law to be annexed or attached as the case may be to the balance sheet which is to be laid before the Company in general meeting, shall, not less than twenty one days before the date of the meeting, be sent to every member of the Company in accordance with the provisions of Section 219(1) of the Act or any statutory modifications thereof.

Copy of Balance Sheet, documents etc.

24. A copy of representation if any made under Section 225 of the Act by a retiring auditor or under Section 284 of the Act by a director sought to be removed from office, shall be sent to the members of the Company as provided for in Section 225 and 284 or any statutory modifications thereof.

Document to be sent though not annexed to notice

25. Subject to the provisions of Section 188 of the Act or any statutory modifications thereof, member's resolution shall be circulated to the members of the Company entitled to receive notice of the next annual general meeting.

Circulation of member's Resolution

26. The Company shall give inspection at the commencement of or before the meeting of the documents referred to in Sections 165, 173, 176 and 230 of the Act.

Documents to be given for inspection at or before the meeting

XIII(D). REPRESENTATION AT MEETINGS

27. (a) A body corporate (whether a company within the meaning of this Act or not) may, if it is a member of the Company, by resolution of its Board of Directors or other governing body, authorise any person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company.

Representation at meeting by a body corporate

(b) The person authorised by the resolution as aforesaid shall be entitled to exercise the same right and powers including the right to vote by proxy on behalf of the body corporate which he represents as that body could exercise if it were a member.

Rights and powers of such representatives

28. (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person or persons whether a member or not, as his proxy to attend and vote instead of himself and the proxy so appointed

By proxies

shall have no right to speak at the meeting, provided however the instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding poll.

Continuance of the validity of proxy inspite of death etc. of principal, if no notice is given

(b) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Members rights to inspection of proxies

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

XIII(E). QUORUM

Quorum needed and the number to form the quorum

29. (a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to transact business. Five members present in person shall be quorum.

Dissolution of meeting

(b) If within half an hour from the time appointed for holding the meeting of the Company, a quorum is not present, the meeting, if called upon the requisition of members, shall stand dissolved.

Adjournment of meeting

(c) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.

Quorum at adjourned meeting.

(d) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.

XIII(F). CHAIRMAN OF MEETINGS

Chairman of the Board to preside

30. (a) The chairman, if any, of the Board shall preside as chairman at every general meeting of the Company.

When directors to elect chairman

(b) If there is no such chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman of the meeting, the directors present shall elect one of their numbers to be chairman of the meeting.

When members to elect chairman

(c) If at any meeting no director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their numbers to be chairman of the meeting in accordance with the provisions of Section 175 or any statutory modifications thereof.

Chairman's power and duty to adjourn the meeting

(d) (i) The chairman may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the meeting from time to time and place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. — Nature of business at adjourned meeting

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. — Fresh notice required if adjourned for 30 days or more

(iv) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting. — Saving Clause

(e) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. — Demand for Poll

(f) In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote, provided he is a member entitled to vote, at the meeting and on the resolution. — Casting vote by Chairman

(g) Any business other than upon which a poll has been demanded may be proceeded with, pending the taking of the poll. — Other business to be transacted pending the taking of the poll

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

31. (a) On a show of hands, every member present in person shall have one vote and on a poll the voting rights of members shall be as laid down in Section 87 of the Act. — How voting rights to be exercised

(b) Voting rights shall be exercised in accordance with the provisions of Sections 87, 88, 89, 92, 117, 178, 179, 180, 182, 183, 184 and 185 of the Act or any statutory modifications thereof and Regulation (e) hereunder read with Section 181 of the Act.

(c) In the case of joint holders, the vote of the senior holder who tenders vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. — Joint Holders

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

(d) A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, or other legal guardian and any such committee or guardian may, on a poll, vote by proxy. — Votes in respect of insane members

(e) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. — No voting right if calls of other sums due not paid

Qualification of voter - objection when to be raised

(f) (i) 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.

(ii) Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

Appointment of Directors to be voted on individually

32. At a general meeting of the Company a motion shall not be made for the appointment of two or more person as directors of the Company by a single resolution, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

Provisions of Sec. 264 to be complied with in the appointment of a person as director if he is not a retiring director

33. In the election of a Director the provisions of Section 264 of the Act or any statutory modifications thereof shall be complied with.

Matters in which special resolutions are required

34. In giving notice of an intention to propose a resolution as a special resolution on any matter, the Company shall have regard to the provisions of Sections 17, 21, 31, 99, 100, 146, 208, 237, 261, 309, 314, 323, 338, 352, 370 and 484 of the Act or any statutory modifications thereof.

Proceedings subsequent to the meeting

35. After passing of the resolution at the General Meeting of the Company, the Company shall comply with the provisions of Sections 192, 193, 196 and 197 or any statutory modifications thereof.

XIV. DIRECTORS AND BOARD OF DIRECTORS

Number of Directors

36. (a) Unless otherwise determined by the company in General Meeting the number of Directors shall not be less than 3 or more than 15.

Only individuals to be directors

(b) Only an individual and not a body corporate, association or firm, shall be appointed director of the Company.

(c) The First Directors of the Company shall be :

1. Mr. Shankar Govind Pendsay
2. Mr. Jagdish Chetandas Bhatia
3. Mr. Sahib Das Sitaldas Khemani
4. Mr. Yeshvant Bharmappa Chigteri
5. Mr. Taro Rewachand Khubchandani.

Right to increase or reduce the number of directors

(d) Subject to the provisions of Sections 252, 255, 258 and 259 of the Act or any statutory modifications thereof, the Company may in General Meeting increase or reduce the number of Directors within the limits fixed by Regulation 36(a).

Additional Directors to be appointed by Board

(e) The Board of Directors shall have power to appoint additional Directors provided such additional Directors shall hold office only up to the date or conclusion of the next Annual General Meeting of the Company and provided further that the number of Directors and additional Directors together shall not exceed the maximum strength fixed for the Board by the Articles.

Filling up of casual vacancy among directors by Board

37. Subject to the provisions of Section 262 of the Act or any statutory modifications thereof, the Board of Directors shall have power to fill up casual vacancies.

Alternate directors to be appointed by Board

38. Subject to the provisions of Section 313 of the Act or any statutory modifications thereof, the Board of Directors shall have power to appoint a person as alternate Director during the absence of Director for a period of not less than three months in the State in which meetings of the Board are ordinarily held.

Special Directors

39. Where the Company borrows moneys or receives any financial or technical assistance or collaboration from any Government, Institution or any other person, such Government, Institution or person may be given a right to appoint one or more persons as Director or Directors on the Board of Directors of the Company within the limits fixed by Articles 36(a) and to remove such Director or Directors from office and on a vacancy being caused in the Directors so appointed whether by resignation, death, removal or otherwise to fill up such vacancy. Such appointments or removal shall, however, be in writing duly signed by the authorised Officer of the Government, Institution, or other person. A Director appointed under this Article shall not be subject to retirement by rotation.

Consent of candidate for directorship to be filed with the Registrar

40. A person who is not a retiring Director shall not act as a Director of the company unless he has signed and filed with the Registrar within 30 days of the appointment his consent in writing to act as such Director.

Directors Qualifications

41. A Director of the Company shall not be required to hold any qualification shares.

Disqualification of Director

42. (1) The office of a Director shall be vacated if :

(a) he fails to obtain within the time specified in sub-section (1) of Section 270, or at any time thereafter ceases to hold the share qualification, if any required of him by the Articles of the Company;

(b) he is found to be of unsound mind by a Court of competent jurisdiction;

(c) he applies to be adjudicated as insolvent;

(d) he is adjudged as insolvent;

(e) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months;

(f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;

(g) he absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;

(h) he, or any firm in which he is a partner or any private company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act;

(i) he acts in contravention of Section 299 of the Act;

(j) he becomes disqualified by an order of Court under Section 203 of the Act, or

(k) he is removed in pursuance of Section 284 of the Act.

(2) Notwithstanding anything containing in sub-clause (d), (e) and (j) of Regulation 42(1) the disqualification referred to in those sub-clauses shall not take effect :

(a) for thirty days from the date of adjudication, sentence or order;

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

(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication sentence, conviction, or order, and the appeal or petition, if allowed would result in the removal of the disqualification, until such further appeal or petition is disposed of.

Validity of Acts of Directors

43. Acts done by a person as a Director shall be valid, notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions in the Act or in the Articles, provided that nothing in the Act shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have terminated.

Rights of Directors

44. Every director shall have such rights and powers as are provided for in Sections 209, 284, 286, 289, 320 and 339 of the Act or any statutory modifications thereof.

Duties of Directors

45. Every director shall discharge such duties as are provided for in Sections 270, 299, 305, 308, 322 and 393 of the Act or any statutory modifications thereof.

Liabilities of Directors

46. Directors shall be subject to such civil liabilities as provided in Sections 71, 73, 169, 314, 319, 320 and 322 of the Act or any statutory modifications thereof.

Disabilities of Directors

47. Directors shall be subject to the disability provided for in Sections 275, 295, 297, 300, 312, 314, 318, 319 and 320 of the Act or any statutory modifications thereof.

Vacation and termination of Office of Directors

48. The Office of a Director shall also be vacated :

(i) on the contravention of the provisions of Section 314 or any statutory modifications thereof;

(ii) if a person is a Director of more than twenty companies at a time;

(iii) if he is disqualified under Section 274 or any statutory modifications thereof;

(iv) in the case of alternate Directors on return of the original Directors to the State, under the provisions of Section 313 or any statutory modifications thereof;

(v) on resignation from his office by notice in writing.

Director as manager or secretary

48.(A) A Director may be appointed as manager or secretary of the Company subject to the provisions of the Act.

XV. ROTATION OF DIRECTORS

Directors retirement by rotation

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

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

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

(4) If the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy the meeting shall stand adjourned till the same day in the next week at the same time and place 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.

(5) If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :

(i) at that meeting or at the previous meeting a resolution for the appointment of such director has been put to the meeting and lost;

(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed;

(iii) he is not qualified or is disqualified for re-appointment;

Right of persons other than retiring directors to stand for directorship

49.A A person who is not a retiring director shall, subject to the provisions of the Act and these Articles, be eligible for appointment to the office of director at any General Meeting, if he or some Member intending to propose him has, not less than fourteen days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of director or the intention of such Member to propose him as a candidate for that office, as the case may be; along with the stipulated deposit in accordance with the provisions of Section 257 of the Act as amended from time to time.

XVI. PROCEEDINGS OF THE BOARD

Board when to meet

50. (a) The Board of Directors may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit, provided however the Board shall meet once in every three calendar months in accordance with Section 285 or any statutory modifications thereof.

Who can summon a meeting

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

Notice of meeting to be sent to every Director

(c) The Board shall cause notice to be circulated to every Director of the Company who is for the time being in India in accordance with Section 286 of the Act or any statutory modifications thereof.

Quorum for the meeting of the Board

(d) The quorum for a meeting of the Board shall be two directors or one-third of its total strength whichever is greater, as provided for in Section 287 of the Act.

Procedure to be adopted if there is no quorum

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

Chairman of The Board

(f) The Board may elect a Chairman of its meetings and determine the period for which he is to hold office.

Choosing of Chairman by Directors present

(g) If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairman of the meeting.

Questions at Board Meeting how decided

(h) The questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the Chairman shall have a second or casting vote.

Resolution by Circular

(i) Save as otherwise expressly provided by the Act a resolution in writing signed by all the members of the Board or of a Committee thereof for the time being entitled to receive notice of a meeting of the Board or Committee shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee duly convened and held.

Act of Board valid notwith-standing defective appointment

(j) All acts done by any meeting of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of Directors or persons acting as aforesaid or that they or he or any of them were or was disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.

Minutes of Proceedings of Board and Committee to be kept

(k) The Company shall cause to be kept minutes of all proceedings at meetings of its Board of Directors or of Committee of the Board. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. All appointments of office made at any of the meetings aforesaid shall be included in the minutes of the meetings. The minutes shall also contain :

(i) the names of the Directors present at the meeting, and

(ii) in the copy of each resolution passed at the meeting the names of Directors, if any, dissenting therefrom or not concurring in the resolution.

Register of Directors

(l) The Directors shall cause to be kept a Register of Directors in accordance with the provisions of Section 303 of the Act. The Register aforesaid shall be open to inspection by any member of the public at any time during office hours on payment of the prescribed fee. The Company shall also keep a Register of Directors' shareholdings giving the particulars required by Section 307 of the Act and otherwise conforming to the provisions of that section.

XVII. GENERAL POWER OF THE BOARD OF DIRECTORS

General powers and limitation thereon

51. (a) The Board of Directors 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 by the Act or any other provision of law or by the Memorandum of Association of the Company or by these Articles, to be exercised or done by the Company in General Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or any other provisions of law or the Memorandum of Association of the Company or these Articles or in any regulation not inconsistent therewith and duly made hereunder, including regulations made by the Company in General Meeting.

Provision against invalidation of prior acts of the Board

(b) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

XVIII. SPECIFIC POWERS OF THE BOARD

52. Without prejudice to the general powers, the Board shall have the following specific powers :-

To carry out the objects and exercise such powers as given in Clause III of the Memorandum

(a) To carry out the objects and exercise the powers contained in clause III of the Memorandum of Association of the Company;

To have superintendence control and direction over etc.

(b) To have the superintendence, control and direction over Manager, Managing Directors, whole time Directors and all other officers of the Company;

To carry on business on vacation of etc.

(c) To carry on business on the vacation of office by the Manager of the Company.

To delegate powers to Committees, etc.

(d) To delegate to the provisions of Section 292 of the Act or any statutory modifications thereof, by a resolution passed at a meeting to any Committee of Directors, Managing Director, or the Manager of the Company.

(i) power to borrow moneys otherwise than on debentures;

(ii) the power to invest the funds of the Company; and

(iii) the power to advance loans.

Provided however that every resolution delegating the power in clause (d)(i) shall specify the total amount up to which moneys may be borrowed by the delegate; every resolution delegating the power referred to in clause (d)(ii) shall specify the total amount up to which the funds may be invested and the nature of investments which may be made, and every resolution delegating the power in clause (d)(iii) shall specify the total amount up to which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases;

Provided further that nothing in this regulation shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified above.

To provide for Local Management

(e) To provide for the management of the affairs of the Company in any specified locality in or outside India and to delegate to persons in-charge of the local management such powers (not exceeding those which are delegatable by the Directors under these regulations).

To appoint attorney

(f) To appoint at any time and from time to time by a power of attorney under seal, any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which are delegatable by the Directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit; with powers to such attorneys to sub-delegate all or any of the powers authorities and discretions (not exceeding those which are delegatable by the Directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit, with power to such attorney to delegate all or any of the powers authorities and discretions vested in the attorney for the time being.

To acquire and dispose of property and rights and restrictions thereon

(g) To acquire by lease, mortgage, purchase or exchange or otherwise any property, rights or privileges which the Company is authorised to acquire at any such price and generally on such terms and conditions as the Board may think fit and to sell, let,

exchange or otherwise dispose of absolutely or conditionally any property, rights or privileges and undertaking of the Company upon such terms and conditions and for such considerations as they think fit, subject however to the restrictions imposed on the Board by Section 293 of the Act or any statutory modifications thereof.

To open accounts make contracts exccute cheques, hundies, bills, promissory notes etc.

(h) To open any account or accounts with such Bank or Banks as the Board may select or appoint, to operate on such accounts, to make, sign, draw, accept, endorse or otherwise execute all cheques, promissory notes, drafts, hundies, orders, bills of exchange, bills of lading, and other negotiable instruments, to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company, to make contracts and to execute deeds, provided however the provisions of Sections 46, 47 and 48 of the Act or any statutory modifications thereof shall be complied with.

To appoint officers

(i) To appoint officers, clerks and servants for permanent, temporary or special service as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require security in such instances and such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants.

To reimburse officers in respect of expenses

(j) To sanction, pay and reimburse officers of the Company in respect of any expenses incurred by them on behalf of the Company.

To make investment

(k) To invest and deal with any of the moneys of the Company, to vary or release such investments, subject to the provisions of Sections 42, 49, 77, 292, 293, 295 read with Sections 370, 372 and 373 of the Act or any statutory modifications thereof.

To refer to arbitration

(1) To refer claims or demands by or against the Company to arbitration.

To institute and defend legal proceedings and to appoint legal advisers

(m) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of claims or demand by or against the Company and to appoint Solicitors, Advocates, Counsel and other legal advisers for such purposes or for any other purpose and settle and pay their remunerations.

To act in matters of insolvency

(n) To act on behalf of the Company in all matters in insolvency in which the Company is interested.

To pay gratuity pension etc.

(o) To pay and give gratuities, pensions and allowances to any person or persons including any Director, to his widow, children or dependants, that may appear to the Directors just or proper whether any such person, widow, children or other dependants have or have not a legal claim upon the Company and whether such person is still in the service of the Company or has retired from its services, to make contributions to any funds and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

To support or subscribe for charitable objects etc.

(p) To establish, maintain, support and subscribe to any charitable or public object or any institution, society or club which may be for the benefit of the Company or its employees,

To set aside profits to form a fund

(q) To set aside portions of the profits of the Company and to form a fund or funds before recommending any dividends for the object mentioned above.

(r) To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit. — To make and alter rules etc.

(s) To exercise the powers conferred by Section 50 of the Act or any statutory modifications thereof, with regard to having an official seal for use abroad. — To provide for seal for use abroad

(t) To exercise the powers conferred on the Company by Sections 157 and 158 of the Act or any statutory modifications thereof with regard to the keeping of foreign registers. — To keep foreign registers

(u) To authorise any person to sell any goods or articles manufactured or produced by the Company or to purchase, obtain or acquire machinery, stores, goods or materials for the purposes of the Company, or to sell the same when no longer required for those purposes. — To authorise any person to sell or purchase any goods etc.

(v) To exercise other powers referred to under these regulations not specifically mentioned in this regulation but referred to in other regulations in these Articles. — To exercise powers referred to in other regulations

(w) To determine by resolution from lime to time the name of person or persons who shall be entitled to do all or any of the acts mentioned in these regulations on behalf of the Company. — To determine by resolution the name of person to do acts on behalf of the Company

XIX. SPECIFIC DUTIES OP THE BOARD

53. (a) The Board shall call an Extraordinary General Meeting on requisition by members in accordance with Section 169 of the Act or any statutory modifications thereof. — Calling of Extraordinary General Meeting

(b) There shall be attached to every Balance Sheet laid before the Company in General Meeting a report by the Board of Directors in accordance with the provisions of Section 217 of the Act or any statutory modifications thereof. — Report by Board, to be attached to the Balance Sheet

(c) The Board shall cause to be laid before the Company in General Meeting the Balance Sheet and Profit and Loss Account in accordance with the provisions of Section 210 of the Act or any statutory modifications thereof. — Balance Sheet and Profit and Loss account to be laid before the Company

(d) The Board shall cause to be kept at its Registered Office, Registers, Books and Documents of the Company required to be maintained and kept open for inspection under the provisions of the Act, and particularly under Sections 49, 118, 136, 143, 144, 150, 151. 152, 163, 196, 301, 302, 303, 304, 307, 362 and 372 of the Act and Schedule VIII to the Act be kept open for such inspection by the persons entitled thereto under the aforesaid provisions to the extent, in the manner and on payment of the fees, if any, specified in the aforesaid provisions at the Registered Office of the Company between the hours of 11 a.m. and 1 p.m. on any working day, except when the Registers and Books are closed under the provisions of the Act or the Articles of Association of the Company. Provided however, that the Register required to be maintained under Section 307 of the Act shall be open for inspection of the members and holders of debentures of the Company, if any, as aforesaid between the times above mentioned during the period prescribed by sub-section 5(a) of Section 307 of the Act. — Registers, Books, Documents, to be maintained and kept open for inspection

Returns to Registrar

(e) The Board shall cause to be sent to the Registrar from time to time returns under the Act.

Giving copies of documents to members and others

(f) The Board shall cause giving copies of documents to any member or to any other person in accordance with the provisions of Sections 39, 118, 163, 219, 225, 234, 339 read with 393 and 419 of the Act or any statutory modifications thereof.

(g) The Board shall cause the despatch of abstracts and memorandum referred to in Section 302 of the Act in accordance with the provisions contained therein or any statutory modifications thereof.

XX. CERTAIN POWERS TO BE EXERCISED BY BOARD ONLY AT MEETINGS

Powers under Sec. 292 of the Act

54. (a) The Board shall exercise the following powers on behalf of the Company only by means of resolutions passed at meetings of the Board :-

(i) The power to make calls on shareholders in respect of money unpaid on their shares;

(ii) the power to issue debentures;

(iii) the power to borrow moneys otherwise than on debentures;

(iv) the power to invest the funds of the Company; and

(v) the power to make loans, and shall exercise these powers in accordance with Section 292 of the Act or any statutory modifications thereof.

Powers under Section 262, 297, 316, 372, 376 and 488 to be exercised in Board meetings

(b) The Board shall also exercise the powers mentioned in Sections 262, 297, 316, 372, 376 and 488 of the Act only at meetings of the Board and in accordance with the provisions of these Sections or any statutory modifications thereof.

Questions to be decided by majority of votes except under three sections requiring unanimous resolution

55. (a) Subject to the provisions of Sections 316, 372 and 386 of the Act requiring unanimous resolution of the Board of Directors, questions arising at any meeting of the Board shall be decided by a majority of votes.

Chairman's casting vote

(b) In case of an equality of votes, the chairman of the Board, if any, shall have a second or casting vote.

Passing of resolution by circulation

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

XXI. RESTRICTIONS ON THE POWERS OF BOARD

Disposal of the undertaking of the Companies etc. referred to in Sec. 293

57. (a) The Board shall not exercise the powers referred to in Section 293 of the Act without the consent of the Company in General Meeting and only to the extent mentioned therein or any statutory modifications thereof.

Restrictions on powers of the Board in the appointment of the sole selling Agent

(b) In the appointment of sole selling agents for the Company for any area, the Board shall conform to the provisions of Section 294 of the Act or any statutory modifications thereof.

(c) In giving loans to Directors and other persons mentioned in Section 295 the Board shall conform to the provisions of that Section or any statutory modifications thereof.

Restrictions on the Board in giving loans etc.

XXII. MANAGEMENT

58. The Board of Directors may, from time to time and subject to the requisite approval of the Company in the General Meeting and where necessary also that of the Central Government under the provisions of the Act appoint a Managing Director or Managing Directors, Joint Managing Director, Whole Time Director, Technical Director, on such terms and conditions and for such period that it may consider proper.

Power to appoint Managing Director, Joint Managing Director etc.

59. The Managing Director or Directors and the Joint Managing Director shall be responsible for carrying on and conducting the business of the Company subject to the supervision, directions, and control of the Board of Directors. In the conduct and management of the said business, the Managing Director and the Joint Managing Director may exercise such powers, authorities and discretions, as may. from time to time, be vested in them under an agreement or delegated to them by the Board of Directors.

Powers of Management vested in the Managing Director and Joint Managing Director

60. Deleted

XXIII. MANAGER

61. The Company may appoint a person as Manager, as defined in Section 2 (24) of the Companies Act, Provided, however, no firm, body corporate or association shall be appointed Manager.

Manager

62. In the appointment of a person as Manager of the Company provisions of Section 385 and 386 of the Act or any statutory modifications thereof shall be complied with.

Certain persons not to be appointed Manager

63. Any assignment of office by the Manager of the Company shall be void.

64. No person shall be appointed Manager of the Company for more than a period of five years and in making such appointment, provisions of Section 317 read with Section 388 of the Act or any statutory modifications thereof shall be complied with.

Term of office of Manager

XXIV. REMUNERATION OF DIRECTOR, MANAGERS AND EMPLOYEES

65. (a) Payment of remuneration to Directors including Managing and whole time Directors, and Manager, if any, shall be subject to the provisions of Section 198 or any statutory modifications thereof.

Managerial remuneration maximum and minimum subject to Sec. 198

(b) In fixing the remuneration of employees of the Company other than Directors, and Manager, the provisions of Sections 199 and 200 or any statutory modifications thereof shall be complied with.

Remuneration of employees

66. In fixing the remuneration of Directors including Managing and whole time Directors the provisions of Sections 309, 310 and 311 of the Act or any statutory modifications thereof shall be complied with.

Remuneration of Directors including Managing and whole time Directors

67. The Manager of the Company may subject to the provisions of Sections 198, 310 and 311 of the Act or any statutory modifications thereof receive remuneration either byway of monthly payment or by way of specified percentage not exceeding 5% of the net profits of the Company calculated in the manner laid down in Sections 349, 350 and 351 of the Act or partly by the one way and partly by the other.

Remuneration of Manager payable either by monthly payment or by percentage of profits or both

68. The Directors shall from time to time decide their own remuneration for the attendance of the Board Meeting or any committee thereof. Such remuneration shall not exceed the sum as may be prescribed by the Act or the Central Government from time to time.

Board Meeting fee of Directors and Chairman

Sub-committee Meeting fee

69. The Directors may fix up a fee to be paid to any Director for attending a meeting of the Sub-committee but it shall in no case exceed Rs.100/- subject to the provisions of the Act.

Travelling and daily Allowance of Directors

70. Travelling and daily allowance of the Directors while travelling on Company's business including the attendance of Board Meetings may be fixed by the Board of Directors from time to time.

Remuneration of Directors for Extra Services

71. If any Director being willing, shall be called upon to perform extra service or to make any special exertions in going or residing abroad or in negotiating or carrying into effect any contract or arrangements by the Company or otherwise for any purpose of the Company, or act as trustee for the Company or its debenture-holders, and if he shall do so, the Company may remunerate such Director either by a fixed sum and/or percentage of profits or otherwise, as may be permissible under the Act.

Remuneration of the Chairman

72. The Chairman of the Board may be paid remuneration by way of fixed monthly allowance or partly by fixed sum and partly by percentage of profit as the Directors may determine subject to the provisions of the Act and the Chairman may be entrusted to perform such duties on behalf of the Company as may be delegated by the Directors.

XXV. AUDIT

Appointment of Auditors and regulation of their duties

73. Auditors shall be appointed and their duties regulated in accordance with Section 224 and 233 of the Act both inclusive or any statutory modifications thereof.

XXVI. SEAL

Seal of Company

74. The Directors shall provide a Common Seal for the purposes of the Company and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof.

Affixing of Seal to be authorised by Board

75. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or a Committee of the Board authorised by it in that behalf and except in the presence of atleast one Director and the Secretary or such other person as the Board may appoint for the purpose and that the Director and Secretary or other person as aforesaid shall sign every instrument to which the seal of the Company is affixed in their presence, provided, however, that the certificate of shares shall be signed in accordance with the rules framed by the Central Government in this behalf or any statutory modifications thereof.

XXVII. DIVIDENDS AND RESERVE

Declaration of Dividends

76. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

Payment of Interim dividends

77. The Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

Reserve

78. (a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserve or reserves which shall, at the discretion of the Board be applicable for any purpose to which the profit of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

Power to carry forward profits

(b) The Board may also carry forward any profits which it may tnink prudent not to divide, without setting them aside as a reserve.

(c) Subject to the rights of the person, if any, entitled to shares with special rights as to dividends, all dividends, shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. — Dividend only from profits

(d) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of the regulation as paid on the share. — Amount paid in advance of calls

(e) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. — Distribution of dividends

79. The Board may deduct any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company. — Deduction from dividends

80. (a) Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus, wholly or partly, by the distribution of specific assets and the Board shall give effect to the resolution of the meeting. — Mode of payment of dividend or bonus

(b) Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board. — Power of the board to Distribute dividends

(c) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. — Payment by warrant

(d) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. — Warrant payable to whom

(e) Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share. — Receipts for dividends etc. in case of joint holders

(f) Notice of any dividend that may have been declared shall be given to the persons entitled to share in the manner mentioned in the Act. — Notice of dividend

(g) No dividend shall bear interest against the Company. — No interest on dividend

(h) No unclaimed or unpaid dividend shall be forfeited by the Board and the Company shall comply with all the provisions of Section 205A of the Act and any statutory modifications thereof in respect of any unclaimed or unpaid dividend. — Unclaimed Dividend

Dividend and call together set off allowed

81. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend, payable to him, and so that the call be made payable at the time as the dividend, and the dividend, if so arranged between the Company and the member, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an Ordinary General Meeting, which declares a dividend.

XXVIII. CAPITALISATION OF PROFITS

Capitalisation

82. (a) The Company in General Meeting may, upon the recommendation of the Board, resolve :

(i) that it is desirable to capitalise 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 accounts or otherwise available for distribution, and

(ii) that such sum be accordingly set free for distribution amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Mode of payment

(b) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards ;

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively,

(ii) paying up in full, unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions afore said, or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii),

Application of share premium account and capital redemption reserve fund

(c) A share premium account and a capital redemption reserve fund may, for the purpose of this regulation only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

Board to give effect to the resolutions

(d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Appropriation & application of undivided profits

83. (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall :—

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and

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

Board's power in case of fractioned distribution of shares or debenture

(b) The Board shall have full power :

(i) to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and also

(ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment 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.

(c) Any agreement made under such authority shall be effective and binding on all such members. — Effect of agreement

XXIX. ACCOUNTS

84. The Company shall comply with the provisions of Sections 209 to 221 of the Act with regard to the keeping of accounts, preparation of Balance Sheet and Profit and Loss Accounts. — Keeping of accounts and preparation of Balance Sheet etc.

85. (a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors. — Inspection by members

(b) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by these regulations or authorised by the Board or by the Company in General Meeting. — Restriction on inspection

XXX. WINDING UP

86. Every account of the Company when audited and approved by a General Meeting, shall be conclusive. — Accounts when conclusive

87. If the Company shall be wound up, and the assets available for distribution among the members as such, shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up, at the commencement of the winding up, or the shares held by them respectively. And if in a winding up the assets, available for distribution among the members, shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members 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 held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions. — Distribution of assets

88. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of an extra-ordinary resolution, divide among the contributories in specie or kind, any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidators, with the like sanction shall think fit, but that no member shall be compelled to accept any shares or other securities whereon there is any liability. — Distribution of assets in specie

XXXI. SECRECY

89. Every Director, Secretary, Manager, Auditor, Trustee, Member or Committee Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall before entering upon the duties sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with customers and the state of accounts with individuals and in all matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may have come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any meeting of the shareholders, or by a Court of Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions of these Articles of Association. — Declaration to observe secrecy

90. Any Director or officer of the Company shall be entitled if he thinks fit. to decline to answer any question concerning the business of the Company which may be put to him on any occasion including any meeting of the Company, on the ground that the answer to such question would disclose or tend to disclose the trade secret of the Company. — Right to decline to answer questions concerning business

Dismissal without notice in case secrets disclosed

91. Any officer or employee of the Company proved to the satisfaction of the Board of Directors to have been guilty of disclosing the secrets of the Company shall be liable to instant dismissal without notice.

XXXII. INDEMNITY

92. (a) Every Director of the Company or the Manager, Secretary and any other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the directors to pay out of the funds of the Company costs, losses and expenses (including travelling expenses) which any such Director, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, officer or servant or in any way in the discharge of his duties.

(b) Subject as aforesaid every Director, Managing Director, Manager, Secretary or any other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

Individual responsibility

93. No Director, Auditor or other officer of the Company shall be liable for the acts receipts, neglects or defaults of any other Director or officer, or for joining in any receipts or other act for conformity, or for any loss or expense happening to the Company through the insufficiency, a deficiency, of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortous act of any person with whom any moneys, securities, or effects shall be deposited, or for any loss occasioned by any error of judgment, omission, default or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same happens through his own negligence, misfeasance, default, breach of duty or breach of trust.

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

	Name, description & signatures of subscribers	Addresses and occupation of subscribers	No. of shares taken by each Subscriber	Witness
1.	Taro Khubchandani S/o Rewachand Khubchandani Sd/- T. R. Khubchandani	434/(327) Sind Housing Society, Aundh, Pune 411 007 Business	One Equity Share (1)	
2.	Shankar Pendsay S/o Govind Pendsay Sd/- S. G. Pendsay	39/52, Chhaya, Prabhat Road, Lane 9, Pune 411 004 Business	One Equity Share (1)	
3.	Sahib Das Khemani S/o. Sitaldas Khemani Sd/- S. Khemani	510/(480) Sind Housing Society, Aundh Pune 411 007 Business	One Equity Share (1)	
4.	Jagdish Bhatia S/o. Chetandas Bhatia Sd/- J. C. Bhatia	91, Anjali Arthur Bunder Road, Colaba, Bombay 400 005 Business	One Equity Share (1)	Sd/- D. N. Shukla Chartered Accountant (Divakar Nandlal Shukla) 9H, Ismail Building, 381. Dr. D. N. Road, Fort, Bombay 400 001
5.	Yeshvant Chigteri S/o Bharmappa Padmappa Chigteri Sd/- Y. B. Chigteri	17, Yeshvant Nagar, Pune 411 007 Business	One Equity Share (1)	
6.	Taraprakash Vartak S/o Prabhakar Vartak Sd/- T. P. vartak	87/1-C, Parvati, Pune 411 009 Business	One Equity Share (1)	
7.	Udaykumar Gujar S/o Bhanudas Gujar Sd/- U. B. Gujar	555, Narayan Peth, Pune 411 030 Chartered Accountant	One Equity Share (1)	

Dated : the 4th day of April, 1977