

THE COMPANIES ACT, 1956

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COMPANY LIMITED BY SHARES

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**Memorandum  
AND  
Articles of Association  
OF  
PALI COMMERCIAL COMPANY LIMITED**

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Form I. R.

## Certificate Of Incorporation

No. 34414 OF 1981

I hereby certify that **PALI COMMERCIAL COMPANY 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 Calcutta this  
Twenty Ninth day of December One Thousand  
Nine Hundred and Eighty One.

Seal of the  
Registrar of  
Companies,  
West Bengal.

Sd/- S. N. Guha

Addl. Registrar of Companies.



Co. No. 34414

## Certificate for Commencement of Business

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

I hereby certify that the **PALI COMMERCIAL COMPANY LIMITED.** which was incorporated under the Companies Act, 1956, on the Twenty Ninth day of December 1981 and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 149 (1) (a) to (d)/ 149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at calcutta this Twenty fifth day of January One Thousand Nine Hundred and Eighty Two.

Seal of the  
Registrar of  
Companies,  
West Bengal.

Sd/- M. L. Sah  
Registrar of Companies.

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

**Memorandum of Association**

OF

**PALI COMMERCIAL COMPANY LIMITED**

I. The name of the company is PALI COMMERCIAL COMPANY LIMITED.

II. The Registered office of the Company will be situated in the State of West Bengal.

III. The objects for which the Company is established are :

A. MAIN OBJECTS TO BE PURSUED ON INCORPORATION :

1. To carry on all or any of the business of buyers, sellers, suppliers, investors, traders, merchants, importers, exporters, hire purchase dealers, indentors, brokers, agents, assemblers, packers, stockists, distributors, and dealers of and in all kinds of agricultural produce, food articles, forest products, plantations crops like Tea, Coffee, Tobacco, minerals, metals, industrial and other wastes and bye-products, industrial and other gases, fire wood, coal and coke, oils and lubricants, fuels, Alcohol, wines and Beverages, edible and non-edible oils and fats, sugar and molasses, consumer goods, household goods, hardware and stores, Plant and Machinery, Generating sets, Earth moving equipments, stores, spareparts and accessories, Commercial, natural and man made fibres, textiles of all kinds, all types of cements, chemicals, drugs, building materials, wire and wire products, all types of electrical goods, vehicles parts, automobile parts, machine parts, industrial components, plastics and electronic parts & devices, bullion, precious stones, work of art, antique, curios, jewellery and ornaments and in all kinds of machinery accessories and other things required in connection therewith.

2. To carry on the business of investment & Financial Company and to invest in and acquire and hold and otherwise deal in shares, stocks, debentures stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Government, State, Dominion, Sovereign Ruler, Commissioner, Public body or authority, supreme municipal local or otherwise, whether in India or elsewhere.

3. To carry on all or any of the business of :-

Financiers of industrial, commercial and other enterprises and general financiers, film financiers, producers, and distributors and exhibitors, money lenders, sahukars, trustees, real estate owner, landlord, real estate agents, builders, underwriters, guarantors, hire purchase dealers, investors, promoters, brokers and dealers of and in shares, stocks, debentures, securities, bonds, obligations, claims, licences and charges, land, buildings, houses, easements, negotiable Instruments, decrees, book-debts patents, factories mines, industrial undertaking, business concerns, ware-houses, property and right of all kinds, agricultural land, farms, gardens, flats, showroom, offices, residential units, shops and godowns, business of Insurance agents, safe deposit company and such other business and acts required in connection therewith and to receive on deposit or borrow and raise money provided that the Company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949.

B. Objects Incidental or Ancillary to the attainment of the main objects :-

1. To purchase acquire, take on lease, hire erect construct, improve, develop, charge, build, let-out, exchange, sale, work or deal in Land, buildings, flats, rooms show-rooms, shops, auditoriums, halls, market, sheds, mines, factories, mills, plants, plantations, farms, and do all such acts and things necessary in connection therewith and deal in building material of all kinds and builders, stores and machinery.

2. To purchase, take on lease, acquire, exchange and to carry on all or any of the business of proprietors, works mills, work-shops, factories, safe deposit vaults, laboratories, mines, quarries, plantations and other industrial under-takings and to manufacture, assemble, export, import and deal in product and by-products thereof and machines, equipments, accessories and raw materials required in connection therewith in which the company is authorised to carry on business.

3. To acquire or otherwise undertake the whole or any part of the business, property, assets and liabilities of any person or company carrying on any business which the company is authorised to carry on or property suitable for the purpose of the Company.

4. To promote, form or acquire any company and to take purchase or acquire shares or interest in any company and to transfer to any such company or any property of this company and to take or otherwise acquire, hold and dispose off or otherwise deal in and invest in any shares, debentures, and securities in or of any company or companies either out of its own funds or out of funds that it might borrow by issue of debenture or from bankers or otherwise howsoever or in any other manner whatsoever and to subsidise or otherwise assist any such company.
5. To amalgamate with any person or company.
6. To enter into partnership or into any arrangement for sharing of profits, Union, of interest cartels, co-operation, joint adventure, or to lend money to or guarantee the contracts of or otherwise assist any such person or company.
7. To invest and deal with the moneys of the company in such manner as may from time to time be determined by the Board of Directors.
8. To sell, let, exchange or otherwise deal with the undertaking of the Company or any part thereof for such considerations as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this Company.
9. To promote any other company for the purpose of acquiring all or any of the property, assets and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
10. Subject to the provisions of the Act, to receive deposit at interest and lend money on mortgage of immovable property or on hypothecation or pledge of movable property or without any security to such person and on such terms as may seem expedient and to customers or persons having dealings with the Company but not to do business of Banking within the meaning of Banking Regulation Act, 1949.
11. To purchase or otherwise acquire any Patents, brevets de invention, licences, concessions, copy-rights, exhibition rights, trade-marks and the like conferring any exclusive or limited right to use any invention, process or articles which may seem capable of being used for any of the purpose of the Company or the acquisition of which may seem calculated directly or indirectly to benefit this Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property so acquired.

12. To establish and support or aid in the establishment and support of Associations, Institutions, Provident Funds and other funds, trusts and conveniences calculated to assist the Company in the conduct of its business or to benefit employees or ex-employees of the Company or the dependants or connection of such persons and to grant pensions and allowances and to make payments towards insurance and to subscribe, donate or guarantee money for charitable, religious or benevolent or any other objects beneficial to the Company or public or for any exhibition or useful objects or for any other purposes which the directors may consider reasonable but not intended to serve any political cause or purpose.
13. To undertake, carry out, promote and sponsor rural development programme including any programme for promoting the social and economic welfare of, or the uplift of the people in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in other manner. Without prejudice to the generality of the foregoing "programme of rural development" shall also include any programme for promoting the social and economic welfare of, or the uplift of the people in any rural area which the Directors consider, likely to promote and assist rural development, and that the words "rural areas" shall include such areas as may be regarded as rural areas under the Income-tax Act, 1961, or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Director may, at their discretion, in order to implement any of the above mentioned objects or purposes, transfer without consideration or at such fair or concessional value as the Directors may think fit, and subject to the provisions of the Companies Act, divest the ownership of any property of the Company to or in favour of any Public or Local Body Or Authority of Central or State Government or any Public Institution or Trust or Fund as the Directors may approve.
14. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of the national economy and for discharging what the Directors may consider to the Public or any section of the Public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the people or any section of the people and in such manner and by such means as the Directors may think fit and the Directors may, without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, for organising lectures or seminars likely to advance these objects or for giving merit awards,

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Scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to continue their studies or academic pursuits or researches and for establishing conducting or assisting any institution, fund, trust etc. having any one of the aforesaid objects as one of its objects by giving donations or otherwise in any other manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and subject to the provisions of the Companies Act, divest the ownership of any property of the company to or in favour of any public or Local Body or Authority or Central or State Government or any public Institution or Trust or Fund as the Directors may approve,

15. To make, draw, accept, hold, endorse, issue and otherwise negotiate all kinds of negotiable or transferable securities, and instruments, including promissory notes, drafts, hundies, Bills of Exchange, Bills of lading, debentures and securities issued by the state or Central Government of India or by any Foreign Government and to carry on the business of the Shares and Stock Brokers but not to do business of banking within the meaning of Banking Regulation Act. 1949.
16. To guarantee the performance of Contracts by members of or persons having dealings with the Company.
17. To borrow or raise or secure the payment of money in such manner as the Company shall think fit and by issue of debentures perpetual or otherwise charged upon all or any of the Company's property stock-in-trade and other movable or immovable assets and book-debts and claims in action (present and future) including its uncalled capital if any, and to apply the same or any part thereof for all or any purpose of the Company and to purchase, redeem or pay off any such securities.
18. To remunerate any person or Company for service rendered or to be rendered in or about the formation or promotion of the Company or conduct of its business or for otherwise assisting or rendering services directly or indirectly to the Company.
19. To establish agencies or branches for the purchase and sale and manufacture of goods of all descriptions in India or elsewhere and to undertake the supervision of any Company or Companies having objects altogether or in part similar to those of this Company.



20. To manage, let, mortgage, sell, underlet, or otherwise turn to account, or dispose of or deal with all or any part of the real or immovable and personal or movable property and rights of the Company whenever and however acquired.
21. To guarantee the payment of money, secured by or payable under or in respect of bonds, debentures, debenture stocks, contracts, mortgages, charges, obligations and other securities of any Company or of any authority Central, State, municipal, Local or otherwise or of any person whomsoever whether incorporated or not and generally to transact all kinds of guarantee business, to guarantee the issue of or the payment of interest on the shares, debentures, debenture-stocks, or other securities or obligations of any company or association and to pay or provide for brokerage, commission and underwriting in respect of any such issue, and to transact trust and agency business.
22. To open branches, sub-office, depots and multiple shops in any state of India or outside India and to appoint agents, stockists, distributors and brokers to procure orders, market or sell the products of the Company or the goods of any other firm or Company in which this Company may have dealing.
23. To do all or any of the above things as principal, agents, contractors, trustees or otherwise and either alone or in conjunction with others.

C. Other Objects :-

1. To carry on all or any of the business of :- financiers of Industrial, Commercial and other enterprises and general financiers, Lenders, Sahukars, Trustees, under writers, guarantors, hire purchase dealers, brokers of shares, Stocks, debentures, securities, bonds, obligations, claims licences and charges, land buildings, houses, easements, negotiable instruments, decrees, book-debts, patents, factories, mines, industrial undertaking, business concerns, warehouse property and wrights of all kinds, agricultural lands, farms, gardens, flats, show-rooms, offices, residential units, shops and godown, business of insurance agents, trust Company, safe deposit company and such other business and acts required in connection therewith and to receive on deposit or borrow and raise money provided that the Company shall not carry on the business of Banking as defined under the Banking Companies Act, 1949.
2. To acquire, erect, construct, assemble, establish, maintain improve, repair, manage, alter, run, carry on, control or work and contribute towards acquisition, erection, construction, establishment maintenance, improvement, management, alteration, carrying on, controlling and working of any iron and steel works, water works, factories, sugar mill,

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3. To carry on all or any of the business of buyers, sellers, suppliers, traders, merchants, importers, exporters, indentors, brokers, agents, manufacturers, assemblers, packers, stockists, distributors, financiers, hire purchaser and dealers of and in all kinds of agricultural produce, plantation crops, food articles, industrial products, industrial components, electronic parts and devices, forest products, raw materials, general merchandies, minerals, metals, industrial and other wastes and bye-products, industrial and other gases, alcohol, wines and beverages, edible and non-edible oils and fats, consumer goods, household goods, hardware and stores, plant and machinery, stores, spare parts and accessories, commercial and man made fibres, textiles, of all kinds, jute products, rubber products, packing goods, sugar, Cement, Chemicals, plastics, Building materials, vehicles, bullion, jewellery stones, curios, shares and securities and in all kinds of raw materials, machinery stores, accessories and other things required in connection therewith.
4. To produce, manufacture, refine, prepare, process purchase, sell, import, export or generally deal in bricks, sand, stone, marble, tile, refractories, china wares, sanitary materials, pipes, tubular structure, Cement, paints, adhesives, sheets, roofings, glass, furnitures, fittings, electrical goods, water supply or storage equipments, floor polish, door closers, concrete mixers, elevators and any other building or decorative materials, made of cement, stone, clay, timber, teak, boards, fibres, paper, glass, rubber, plastics, or other natural synthetic substance or chemical.
5. To act as principal agents, commission agents, brokers, and underwriters for freight, gunnies and exchange.
6. To carry on the business of Manufacturers, Producers, Distributors Exhibitors, Agents, Organisers, Financiers, Importers, Exporters, Buyers, Sellers, Hirers and Dealers of Cinematograph film, Motion pictures and plays in India and/or abroad.
7. To carry on business of engineer (whether general, consulting, mechanical, electrical, civil, constructional or otherwise) general contractors, importers, exporters and dealers in all kinds of plant, machinery and equipments.

8. To carry on business as timber merchants, saw-mills, proprietors and timber growers and to buy, sell, grow prepare for market, manipulate, import, export and deal in timber and wood of all kinds and to manufacture and deal in article of all kinds in the manufacture of which timber or wood is used, to buy, clear, plant and work timber estates.

9. To do the business of running holiday houses, hotels, rest houses, restaurants, milk bars, soda fountains and providing accommodation in any form.

And it is hereby declare that the word "COMPANY" in this clause shall be deemed to include any partnership or other body or persons whether incorporated or not incorporated and whether domiciled in India or otherwise except where used with reference to this Company.

IV. The liability of members is limited.

V. The authorised share capital of the Company is Rs. 99,00,000/- divided into 9,90,000 Equity shares of Rs. 10/- each with power to increase and reduce the capital to divide the share in the capital for the time being into several classes and attach thereto respectively such preferential or special rights privileges of conditions as may be determined by or in accordance with the regulations of the Companies Act, 1956 and to vary, modify or abrogate such rights, privileges and conditions in such manner as may for the time being be provided by the regulations of the Company.

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

| Names, Addresses, Descriptions and Occupations of subscribers  | Number of equity shares taken by each subscriber | Signatures of Subscribers | Names, Addresses, Descriptions and Occupations of witnesses  |
|--|--|---------------------------|--|
| 1. NARENDRA DEV NARAYAN<br>S/o Late Rai Bahadur Jug Dutt<br>44A, Wellesley Street<br>Calcutta-700016<br>Advocate                       | 10<br>(Ten)                                      | Sd/-                      | Witness to all signatories<br>Vinod Kumar Kandoi<br>S/o Sri Nemchand Kandoi<br>135A Biplabi Rash Bahari Basu Road<br>Calcutta-700001<br>Chartered Accountant |
| 2. PRAMOD KUMAR SARAOGI<br>S/o Late Bajrang Lal Saraogi<br>57, Sir Hariram Goenka Street<br>Calcutta-700070<br>Service                 | 10<br>(Ten)                                      | Sd/-                      |  |
| 3. DEOKI NANDAN DHANUKA<br>S/o Sri Madan Lal Dhanuka<br>223E, Battala Lane<br>P. o. Hind Motor<br>West Bengal<br>Business              | 10<br>(Ten)                                      | Sd/-                      |  |
| 4. RADHEY SHYAM SINHA<br>S/o Late Dr. Madan Mohan Sinha<br>9, Dr. Sarat Kumar Deb Street<br>P. o. Konnagar<br>Dist. Hooghly<br>Service | 10<br>(Ten)                                      | Sd/-                      |  |
| 5. VINOD KUMAR JALAN<br>S/o Sri Shyam Sunder Jalan<br>1, Burdwan Road, Alipore<br>Calcutta-700027<br>Business                          | 10<br>(Ten)                                      | Sd/-                      |  |
| 6. SHIV KUMAR DIDWANIA<br>S/o Brahma Dutt Didwania<br>4A, Shanti Nagar Housing Society<br>Lilooah<br>West Bengal<br>Service            | 10<br>(Ten)                                      | Sd/-                      |  |
| 7. SURESH KUMAR DHANUKA<br>S/o Kaluram Dhanuka<br>52, Vivekanand Road,<br>Calcutta-700006<br>Business                                  | 10<br>(Ten)                                      | Sd/-                      |  |
| Total  | 70<br>(Seventy)                                  |                           |  |

Dated, the 19th day of November 1981

THE COMPANIES ACT, 1956  
COMPANY LIMITED BY SHARES

Articles of Association  
OF  
PALI COMMERCIAL COMPANY LIMITED

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

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

'The Company' or 'this Company' means PALI COMMERCIAL COMPANY LIMITED.

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

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

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

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

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

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

'Seal' means the Common Seal for the time being of the Company.

'Month' means calendar month.

'Dividend' includes Bonus.

Person includes body corporate, firm, association of firms and society registered under the societies Registration Act.

'Proxy' includes Attorney duly constituted under a power of attorney.

'In writing' and 'written' include printing, lithography and any other modes of representing or reproducing words in visible form.

'Debenture' includes debenture stocks.

'Special Resolution' and 'Ordinary Resolution' have the same meanings assigned thereto by Section 189 of the Act.

These 'Presents' means the Memorandum of Association and these Articles of Association of the Company for the time being in force.

Words importing the singular number shall include the plural number and vice versa.

'Articles' mean these Articles of Association or as altered and modified from time to time according to law.

Table 'A'  
not to apply

2. The regulations contained in table 'A' in the first Schedule to the Companies Act, 1956, shall not apply to the Company, except in so far as they are embodied in the following Articles which shall be the regulations for the management of the Company.

Company not to  
purchase its own  
shares

3. Save as permitted by section 77 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on the security of shares of the Company and the Company shall not give directly or indirectly, any financial assistance whether by way of loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase of, or subscription for any shares in the Company or in its holding Company.

4. Copies of Memorandum and Articles of Association of the Company shall be furnished to every shareholder of the Company at his request on payment of Rs. 2/- Two

#### SHARES

Share Capital

5. (a) The authorised Share Capital of the Company is Rs. 99,00,000/- divided into 9,90,000 Equity Shares of Rs. 10/- each. The Company has the power from time to time to increase or reduce its capital. Any of the said shares and any new share hereafter to be created may from time to time be divided into shares of several classes in such manner as may be provided hereinafter and the company may allow and so that the shares of each class may have or confer such preferred or other special rights and privileges and may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise as shall have been assigned thereto by or under provisions of the Articles of Association but so that the special rights or privileges belonging to holders of any shares issued with preferred or other rights shall not be varied or abrogated or affected except with such sanction as is provided for hereinafter.

(2) The Preference Shares if and when issued in accordance with the provisions of the law will confer upon the holder thereof the right to a fixed cumulative preferential dividend at such rate as the Directors may decide at the time of issue on the Capital for the time being paid up thereon and the right in a winding up to payment of Capital and arrears of dividend in priority to the Equity Shares, but shall not confer any further right to participate in the profits or assets.

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

Redeemable  
Preference  
shares

7. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such persons, on such terms and conditions, at such time, either at par or at a premium and for such consideration as the Board thinks fit. Provided that, where at any time it is proposed to increase the Subscribed Capital of the Company by the allotment of further shares, then, subject to the provisions of Section 81 (1A) of the Act, the Board shall issue such shares in the manner set out in Section 81 (1) of the Act, save the Board may determine whether or not any offer of shares made in such manner shall include a right exercisable by any person concerned to renounce all or any of the shares offered to him in favour of any other persons.

Allotment of  
shares

8. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted, may be issued as fully or partly paid up shares.

Director may  
allot shares for  
consideration  
other than cash

9. The shares in the Capital shall be numbered progressively according to their several denominations.

Shares to be  
Numbered

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

Return of  
Allotment

11. If any Company shall offer any of its shares to the public for subscription,

(1) no allotment thereof shall be made, unless the amount stated in the prospectus as the minimum subscription has been subscribed, and the sum payable on application thereof has been paid to and received by the Company.

Restriction on  
Allotment

(2) the amount payable on application on each share shall not be less than 5 per cent of the nominal amount of the share; and

(3) the Company shall comply with the provisions of sub-section (4) of Section 69 of the Act.

Commission &  
Brokerage

12. The Company may exercise the powers of paying commission conferred by Section 76 of the Act provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the commission shall not exceed 5 per cent of the price at which any shares in respect whereof the same is paid, are issued or  $2\frac{1}{2}$  per cent of the price at which any debentures are issued (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

Shares at a  
discount

13. With the previous authority of the Company in general meeting and the sanction of the Court and upon otherwise complying with Section 79 of the Act, the Board may issue at discount shares of a class already issued.

Instalments on  
Shares be duly  
paid

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

Liability of  
joint-holders of  
shares

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

Trust not  
recognised

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

Who may be  
registered

17. Share may be registered in the name of any person, company or other body corporate. Not more than four persons shall be registered as joint-holders of any share.

#### INCREASE AND REDUCTION OF CAPITAL

Power to increase  
Capital

18. The Company in general meeting may, from time to time, by ordinary resolution increase the share capital by the creation of new shares by such sum, may be divided into shares of such amount as may be deemed expedient.

On what condi-  
tions new shares  
may be issued

19. Subject to any special rights or privileges for the time being attached to any shares in the Capital of the Company then issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions thereto as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given, the Board shall determine and in particular such shares may be issued with a preferential or qualified right to dividends and the distribution of assets of the company.



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19. Before the issue of any new shares, the Company in general meeting, may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the shares are to be issued in the first instance and whether at par or premium or subject to the provisions of Section 78 of the Act at a discount. In default of any such provision or so far the same shall not extend, the new shares may be dealt with in conformity with the provisions of these Articles.

Provisions relating to the issue

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

How far new shares to rank with existing shares

21. If, owing to any inequality in the number of new shares to be issued, and the number of shares held by members entitled to have the offer of such new shares, any difficulty arising in the allotment of such new shares, or any of them amongst the members such difficulty shall, in the absence of any direction in the resolution creating the shares for by the Company in general meeting, be determined by the Board.

Inequality number of new shares

22. The Company, may, from time to time, by special resolution, reduce in any manner and with, and subject to, any incident Capital authorised and consent required by law.

Reduction of Capital

- (a) Its share capital;
- (b) Any Capital redemption reserve account or
- (c) Any share premium account.

#### ALTERATION OF SHARE CAPITAL

23. The Company, by ordinary resolution may from time to time :

Power to sub-divide and consolidate shares

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (b) Sub-divide its shares or any of them into shares of smaller amount than 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.
- (c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

24. Where any share capital is sub-divided, the Company in general meeting subject to the provisions of Sections, 85, 87, 88 and

Rights in respect of shares on sub-division

106 of the Act, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preferential or special rights as regards dividend, payment of Capital, voting or otherwise.

Surrender of  
share

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

#### VARIATION OF SHARES-HOLDER'S RIGHTS

Power to vary  
rights

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

#### SHARE CERTIFICATES

Issue of certi-  
ficates

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

Member's rights  
to certificates

28. (1) Every person whose name is entered as member in the Register shall be entitled to receive within three months after allotment one certificate for all the shares registered in his name or if the Directors so approve to several certificates each for one or more of such shares.

(2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

(3) In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate to the first person named in the Register shall be sufficient delivery to all such holders.

Issue of  
certificates to  
joint-holders

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

30. If any certificate be old, decrepit, worn out, torn or defaced or where the cages on its reverse side for recording transfers have been duly utilised, than upon surrender thereof to the Company, the Board shall order the same to be cancelled and issue a new certificate in lieu thereof without any payment. If any certificate be lost or destroyed then upon proof of such loss or destruction of the satisfaction to the Board and on such indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate on a fee of two rupees for each certificate or such smaller fee as the Board may determine.

Replacement of  
share certificate

#### CALLS

31. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, made such calls as the Board thinks fit upon the members in respect of all moneys un-paid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. Provided the option or right to make call on shares shall not be given to any person except with the sanction of the Company in general meeting. A call may be made payable by instalment and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed at the meeting of the Board.

Calls

32. No call shall exceed one half of the nominal amount of a share, be made payable at less than one month from the payment of the last preceding call. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call shall be paid. Provided that, before the time for payment of such call the Directors may, by notice in writing to the members, revoke the same or extend the time for payment thereof.

Restriction on  
power to make  
calls and notice

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

When amount  
payable

34. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at the rate of 12 per cent per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine. The Directors

When interest on  
call or instalment  
payable

may in their absolute discretion waive the payment of interest, wholly, or in part, in the case of any person liable to pay such call or instalment.

Evidence in action  
for call

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

Payment of calls  
in advance

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

Voting rights  
when calls in  
arrear

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

Reservation of  
calls

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

Directors may  
extend time for  
payment of a call

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

Every member to  
pay the proportion  
of the  
Capital represented  
by the share

40. Every member, his executors or administrators shall pay to the Company the proportion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon in



such amount at such time or times and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

# FORFEITURE OF SHARES

41. If a member fails to pay any sum payable in respect of any call or any instalment of a call on or before the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of the said call or instalment remains unpaid, serve a notice on such member requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Notice for payment of call or instalment

42. The notice aforesaid shall name a further day, not being earlier than the expiry of fourteen days from the date of service of notice, on or before which the payment required by the notice, is to be made and a place at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment on or before the date so named, the shares in respect of which such call or instalment was payable shall be liable to be forfeited.

Mode of Notice

43. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before the payment of calls or instalments, interest and expenses due in respect has been made, be forfeited by a resolution of the Board of that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Forfeiture of shares

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

Notice of forfeiture

45. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board thinks fit.

Forfeited shares to become property of the Company

46. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annual the forfeiture thereof upon such conditions as it thinks fit.

Board may annual forfeiture Arrears to be paid notwithstanding forfeiture

47. (i) A person whose shares have been forfeited shall cease to be a member in respect of forfeited shares but shall notwithstanding forfeiture remain liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of forfeiture, together with interest thereon from the time of forfeiture until payment thereof without any deduction or allowance for the value of the shares at the time of forfeiture.

- (ii) The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demand against the Company in respect of the shares and all other rights incidental to the shares except any such of those rights as by these Articles are expressly saved.

Evidence of forfeiture

48. Subject to the provisions of the law of Evidence and Procedure, a duly verified declaration in writing that the declarant is a Director of the Company, and the certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares, and the person to whom the shares are sold shall be registered as the holder of such shares and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to such shares be effected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

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

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

Power to issue non-certificate

50. When any shares under the powers on that behalf being contained are sold by the Directors and the certificate thereof has not been delivered to that Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.

Partial payment or any indulgence show not to preclude forfeiture

51. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his share, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Directors from thereafter proceeding to enforce a forfeiture of such share as provided in these regulations for non-payment of the whole or any balance due in respect of the shares.

#### COMPANY'S LIEN ON SHARES

Company's lien on shares

52. The Company shall have a first and paramount lien upon all (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 the amount of call interest, expenses in respect of the shares held by him and for his debts, liabilities, engagements and other moneys whether solely or jointly with any other person, to or with the Company whether the period for the payments, fulfilment or discharge thereof shall have actually arrived or not and no equitable interest in any share shall be created upon the footing and condition that clause 16 hereof shall have full effect and such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

53. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member his executor or administrator, committee, curator bonis or other legal representative as the case may be, and default shall have been made by him or them in payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.

Enforcement of  
lien by sales

54. The net proceeds of any such sale shall be received by the Company and after payment of the cost of such sale, be applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall subject to like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the share at the date of the sale.

Application of  
proceeds of  
sales

55. Upon any sale after forfeiture or surrender or for enforcing a lien in purported exercise of the powers hereinbefore conferred, the Board may appoint some person to execute an instrument of transfer the share sold and cause the purchaser's name to be entered in the Register in respect of share sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money, and after his name has been entered into the Register in respect of such share the validity of the sale shall not be impeached by any person on any ground whatsoever, and the remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively.

Validity of sales  
in exercise of lie  
and after forfei-  
ture

56. Where any share has been sold by the Board pursuant to these Articles and the certificate in respect thereof has not been delivered to the Company by the former holder of such share the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate so delivered wherein any such case the certificate in respect of the share forfeited any/or sold is not delivered and new certificate for such share has been issued, the original certificate shall be treated as cancelled and no claim or title based on such certificate shall be binding on the Company.

Board may issue  
new certificates

#### TRANSFER AND TRANSMISSION

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

Execution of  
transfer etc.



Provided that, whereon an application in writing made to the Company by the transferee, and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

Application  
registration of  
transfer

58. Application for the registration of the transfer of a share may be made either by the transferee or the transferor, no registration shall, in the case of the partly paid share, be affected unless the company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

Directors may  
refuse to register  
transfer

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

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

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

Form of transfer

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

No fee to be  
Charged for registra-  
tion of trans-  
feree

61. No fee may be charged for registration of transfer and trans-  
mission.

62. No fee will be charged :-

Fees for splitting  
or consolidation  
etc.

- (a) For splitting up, sub-division and consolidation of shares and debenture certificates and for, splitting up and sub-division of Letters of Allotment and splitting, consolidation, renewal into denomination corresponding to the market units of trading as per Rules or Stock Exchange concerned.
- (b) For sub-division of renunciation letters of rights.
- (c) For issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfer have been fully utilised.



- (d) For registration of any Power of Attorney, Probate of Will, Letters of Administration or similar other documents.

Provided that in case of splitting up and/or sub-division of shares other than the market units of trading as determined or as per prevailing Rules of Stock Exchange concerned, a fee of Rs. 2/- (two) per share certificate may be charged.

63. Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate of the shares to be transferred or if there is no certificate, the Letter of Allotment thereto and such evidence as the Board may require to and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. The Board may waive the production of any certificate upon evidence to them of its having lost or destruction. Every instrument of transfer which shall be registered, shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.

Instrument of transfer to be left at office

64. Subject to the Provisions of Section 154 of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.

Suspension of transfers

Provided that, such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

65. If the Board refuse, whether in pursuance of the Article 59 or otherwise, to register the transfer of, or the transmission by operation of law of the right to any share, the Company shall, within two months from the date on which the instrument of transfer or the intimation of such transmission as the case may be was lodged with the Company, send to the transferee and the transferor or to the person giving intimation of such transmission as the case may be, notice of such refusal.

Notice of refusal to registration of transfer

66. The executors or administrators of a deceased member (not being one of several joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint-holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased jointholder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator, Board may require him to obtain a Grant of Probate or Letters of Administration or other legal representation as the case may be from some competent Court. Probate or Letter of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board in its absolute discretion may consider necessary.

Persons entitled to shares by transmission

67. Any committee or guardian of a lunatic or infant member or any person becoming entitled to transfer share in consequence of the death or bankrupt, insolvency of any member upon producing such

Transfer of shares of insane, minor, deceased or bankrupt member

evidence that he sustains the character in respect of which he proposes to act under this Article, or of the title as the Board thinks sufficient may with consent of the Board (which it shall not be under any obligation to give) be registered as a member in respect of such shares or may subject to the regulations as to transfer hereinbefore contained, transfer, such shares. This article is hereinafter referred to as 'The Transmission Article'.

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

68. Any Director may retain the dividend payable upon shares to which any person becomes entitled Article 67 until such person or his transferee shall become a member in respect of shares.

69. (a) If the person becoming entitled to a share under Article 67 shall elect to be registered as a member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

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

(c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer as aforesaid as if the death, insanity, bankrupt or insolvency of the member had not accrued and the notice of transfer were a transferred signed by that member.

70. A person so becoming entitled under the transmission Articles to a share by reason of the death, lunacy, bankrupt or insolvency of a member shall, subject to the provisions of Article 106 or Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he was the member registered in respect of the share.

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

Company not  
liable for dis-  
regard of a notice  
purporting prohi-  
bit registration of  
transfer

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

or referred to in some books of the company but the company shall nevertheless be at liberty to regard or attend to any such notice and give effect thereto if the Directors shall so think fit.

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

No transfer to an infant or to unsound mind

#### SHARE WARRANTS TO BEARER

73. The Company may issue share warrants subject to, and in accordance with, the provisions of Section 114 and 115 of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time require as to the identification of the person signing the application, and on receiving the certificates (if any) of the share, and the amount or stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

Issue of the share warrants

74. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of the two clear days from the time of deposit, as if his name were inserted in the Register as the holder of the shares included in the deposited warrant.

(2) Not more than one person shall be recognised as depositor of the share warrant.

(3) The Company shall, on seven days' written notice, return the deposited share warrant to the depositor.

75. (1) Subject as herein otherwise provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend, or vote or exercise any other privilege of a member at meeting of the Company, or be entitled to receive any notices from the Company.

(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if they were named in the Register of members as the holder of the shares included in the warrant, and he shall be a member of the Company.

76. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

## CONVERSION OF SHARE INTO STOCK

Conversion of  
paid-up share  
into stock

77. The Company may, by ordinary resolution :

- (a) Convert any paid-up shares into stock ; and
- (b) re-convert any stock into paid-up shares of any denomination.

Transfer of  
stocks

78. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulation, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit.

Provided that the Board may, from time to time fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Power and rights  
of stock-holders

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

Regulations to  
apply to stock

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

## BORROWING POWERS

Power to borrow

81. The Directors may from time to time at their discretion raise or borrow any sum or sums of money for the purpose of the Company subject to the provisions of Section 292 and 370 of the Act and may secure payment or repayment of same in such manner and upon such terms and conditions in all respects as may be prescribed by the Board in particular by the creation of any mortgage, hypothecation, pledge or charge in and over the Company's stocks, book debts and other movable properties.

Conditions on  
which moneys  
may be borrowed  
by the Directors

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



83. If any uncalled capital of the Company be included in or charged by any mortgage or other security, the Board may, by instrument under the Company's seal, delegate the power under Section 202 of the Act to the person in whose favour such mortgage or security is executed or any other person in trust for him.

Delegation of powers

84. Any debentures, debenture-stock, bonds or other securities may be issued at a discount premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, attending at General Meetings of Company, appointment of Directors and otherwise debenture, debentures-stocks, bonds or the securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Issue at discount etc. or with special privileges

85. Save as provided in Section 108 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debentures.

Instrument of transfer for Debentures

86. If the Board refuse to register the transfer of any debentures of the Company it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

Notice of refusal to register transfer

87. If any Director or any other person shall become personally liable for the payment of any sum preliminary due from the Company, the Board may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable, as aforesaid, from any loss in respect of such liability.

Execution of charges or mortgages by Board

88. The Directors may receive deposits on such terms and conditions and bearing interest at such rates as they may decide and fix and which may be made payable monthly, quarterly, half-yearly, subject to the notifications issued from time to time by the Department of Non-Banking Companies, Reserve Bank of India, if any.

Powers to receive deposits

89. The Company may subject to the provisions of Section 208 of the Act pay interest on so much of the 'share capital as is for the time being paid up as was issued for the purpose of raising money to defray the expenses of the construction of any work of building or the provision of any plant, which cannot be made profitable for a lengthy period.

Payment of interest on Capital

#### PROCEEDINGS AT GENERAL MEETINGS

90. In addition to any other meetings, a general meeting of the Company shall be held within such interval as one specified in Section 166 (1) of the Act and, subject to the provision of Section 166 (2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an Extra-Ordinary General Meeting.

When Annual General Meeting to be held

Calling of Extra-ordinary General Meeting

91. The Board may, whenever it thinks fit, call an Extra-Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the directors present in India may call an Extra-Ordinary General Meeting in the same manner and as nearly as possible as that in which such a meeting may be called by the Board.

As to omission to give notice

92. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive such notice shall not invalidate any resolution passed at any such meeting.

Circulations of Members resolutions

93. The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.

Quorum

94. No business shall be transacted at a General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five members present in person shall be the quorum for the meeting of the Company.

Passing of Resolutions

95. Any act or resolution which, under these articles or the Act is permitted or required to be done or passed by the Company in General Meeting, shall be sufficiently so done or passed if affected by an ordinary resolution as defined in Section 189 (1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a specific majority or by special resolution as defined in Section 189 (2) of the Act.

Chairman of the General Meetings

96. The Chairman of the Board shall be entitled to take the chair at every General Meeting. If there be no such chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the members present shall choose another directors as Chairman, and if no director be present or if all the director present decline to take the chair then the members present shall choose one of their number entitled to vote to be the chairman of the meeting.

Dissolution and adjournment of General Meetings

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

Votes by show of hands

98. Every question submitted to meeting shall be decided, in the first instance, by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member.

A declaration by the Chairman that the resolution has on a show of hands been carried or carried unanimously or by particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.

99. The Chairman of a General meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

100. At any General Meeting unless a poll is (before or on the declaration of the result of the voting on any resolution and on the show of hands) demanded by the Chairman of by at least five members present in person or by proxy or by any member or members present in person or by proxy and having not less than one-tenth of total voting powers in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid-up which is not less than one-tenth of the total sum paid up on all the shares conferring that right, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the meeting of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.

101. (a) If a poll is demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting.

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

(c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, at least one of whom shall be a member (not being an officer employee of the Company) present at the meeting, provided such a member is available, and willing to be appointed, to scrutinise the votes given on the poll and to report thereon to him.

(d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll a member entitled to more than one vote or his proxy or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or caste in the same way all the votes he uses.

(e) The demand for a poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.

Adjournments  
of the General  
Meetings

What is to be  
evidence of the  
passing of a reso-  
lution where poll  
not demanded

Poll



VOTES OF MEMBERS

Votes of  
members

102. Subject to any rights or restrictions for the time being attached to any class or classes of shares :

(a) On a show hands, every member present in person, shall have one vote ; and

(b) On a poll, the voting rights of members shall be as laid down in Section 87 of the Act.

Voting Rights of  
preferential  
shareholders

103. Except as conferred by Section 87 of the Act the holders of Preference Shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with the provision of sub-section 2 of the Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision of Section 89 and sub-section (2) of Section 92 of the Act be in the same proportion as the Capital paid up in respect of the preference share bears to the total paid-up equity capital of the Company.

Procedure where  
a Company is a  
member of the  
Company.

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

Vote by  
joint-holders

105. Where there are joint-registered holders of any shares any one of such person may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto : and if more than one of such joint-holders be present at any meeting either personally or by proxy than one of the said persons so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrator of a deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

Vote in respect  
of deceased in-  
solvent & minor  
members

106. Any person entitled under the Transmission Article 67 to transfer any shares may vote at any General meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of the right to transfer such shares, or the Director shall have previously admitted his right to vote at such meeting in respect



thereof. If any member be a lunatic, idiot or non compos-mentis he may vote whether on a show of hands or at a poll by his committee, curator banis or other legal curator and such last mentioned persons may give their votes by proxy on poll. If any member is a minor, the vote in respect of his share may be given by his guardian. If more than one person claim to exercise the right of vote under this clause, the Chairman of the meeting may elect in his absolute discretion any one person and will accept his vote.

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

Voting rights on show of hands under section

108. On a poll, votes may be given either personally or by proxy or in the case of a company, by a representative duly authorised as aforesaid.

Proxies permitted

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

Appointment of proxies

110. The instrument of appointing a proxy shall be in writing, under the hand of the appointor or his attorney duly authorised in writing or, if such appointor is a body corporate under its common seal or the hand of its attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy. Any other proxy, shall be called a general proxy.

Instrument appointing Proxy

111. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarial certified copy of that power or authority, shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Proxies to be deposited at the office

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

When vote by proxy valid through Authority revoked

113. Every instrument appointing a special proxy shall as nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act.

Form of proxy

Restrictions  
on voting

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

Admission or  
rejection of  
votes

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

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

DIRECTORS

Number of  
Directors

116. Until otherwise determined by the Company in General Meeting, the number of Directors of the Company shall not be less than three and not more than twelve.

117. The first Directors of the Company are :

1. NARENDRA DEVI NARAYAN
2. VINOD KUMAR JALAN
3. SHIV KUMAR CIDWANIA

Non-rotational  
Directors

118. Subject to the approval of the Government under the provisions of Section 263 of the Act.

- (a) While any money remains due by the Company under or by virtue of any mortgage, hypothecation, pledge or otherwise or underwriting agreements executed by the Company in favour of the Government Central and/or state and/or of the Industrial Finance Corporation of India, Industrial Development Bank of India, Industrial Credit Corporation, Life Insurance Corporation of India or any other Corporation sponsored by the Government, Central or State, and so long as long the loan and or guarantee given by the said Government/Corporation in respect of financial commitments of the Company remain outstanding the said corporations shall be entitled to appoint from time to time any person or persons to be their nominees as Directors of the Company. The Directors so appointed shall have the same powers and privileges as other Directors of the Company. Such Directors appointed by the said Government /Corporation shall not be required to possess any share

qualification and the provisions of Articles of Association as to retirement of Director shall not apply to them. The said Director shall hold office at the pleasure of the said Corporation who shall have the full power to remove all or any of the Directors appointed by them under this Article and to appoint any other or others in his or their places as and when they shall deem it necessary. Such appointment or removal shall be by notice in writing to the Company.

- (b) Any Trust Deed for securing debentures or stocks may if so arranged, provide for the appointment from time to time by the trustees thereof by the holders of the debentures or debenture stocks of some persons to be Director of the Company and may empower such trustees or holder of debentures or debentures-stocks from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as "The Debenture Director" and the term, "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification-shares and shall not be liable to retire by rotation or removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

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

Appointment of Directors of the Company and proportion of those who write by rotation

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation : and

- (b) save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

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

Increase or reduction in number of Directors

121. The Directors shall have powers at any time and from time to time to appoint any other person as a Director either to fill up a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any Director so appointed shall hold office only until the conclusive of the next following Annual General Meeting of the Company but shall be eligible for re-election at such meeting.

Power to appoint additional directors

122. Subject to the provisions of Section 313 of the Act or any statutory modifications thereof, the Board shall have power to appoint any person to act as alternate director for a director

Alternate directors

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

Directors need not hold any qualification shares

123. A Director need not hold any share in the Company in his name as his qualification, but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

Remuneration of Directors

124. Unless otherwise determined by the Company in General Meeting, each Director, other than the whole time paid Directors, shall be paid Rs. 250/- or (as may be decided by Board from time to time) for each meeting of the Board of Director or a Committee thereof attended by him. The Directors may also be paid all the expenses as decided by the Board from time to time in attending of the Board or a Committee of Board.

Expenses of Directors

125. In addition to the remuneration payable to the Directors under Article 124 thereof, the Directors may be paid all reasonable travelling, hotel and other expenses in attending and returning from the meetings of the Board of Directors or any Committee thereof or in connection with the business of the Company.

Extra remuneration of Directors

126. Subject to Sections 198, 301, 310 and 314 of the Act, if any Director or Directors being willing shall be called upon to perform extra service or the make any special exertion in going or residing outside the office for any of the purposes of the Company or in giving special attention to the business of the Company, the Board may remunerate such Director either by fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or substitution for any remuneration to which he may be ordinarily entitled.

Directors may act notwithstanding vacancy

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

128. (1) The Office of a Director shall 'ipso facto' become vacant if:

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

(b) he applies to be adjudicated as an insolvent; or



(c) he is adjudged an insolvent ; or

(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months ; or

(e) he fails to pay any call in respect of shares in the Company held by him whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the Official Gazette, removed the disqualification incurred by such failure ; or

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

(g) he (whether by himself or by any person for his benefit of his account) or any firm of which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act ; or

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

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

(j) he is removed in pursuance of Section 284 of the Act ; or

(k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceases to hold such office or other employment in the Company, or

(l) by notice in writing to the Company he resigns his office ; or

(m) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of the provision of sub-section (1) of Section 314 of the Act and by operation of that Section he is deemed to vacate office.

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

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

Directors may be directors of companies promoted by the Company

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

Conditions under which directors may contract with the Company

130. Subject to the provisions of Sections 297, 299 to 301 of the Act, a director shall not be disqualified from contracting with the company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such director, or a firm in which such director or relative is a partner or which any other partner in such firm or with a private Company of which such director is a member or director be void, nor shall any Director so contracting, or being such member so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established.

#### APPOINTMENT, REMOVAL & ROTATION OF DIRECTORS

Vacancies to be filled in Annual General Meeting

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

up the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless :

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

132. The Company may, subject to the provisions of Section 248 of the Act by ordinary resolution of which special notice according to section 190 of the Act has been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his stead. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed the Board may at any time thereafter fill such vacancy under the provisions of Article 133.

Power to remove Directors

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

Board may fill casual vacancies

134. (a) At every Annual General Meeting one-third of such Director for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the member nearest to one-third shall retire from office. The retiring Director shall retain his office until dissolution of the meeting at which his successor is elected. An ex-officio Director shall not be liable to retire by rotation within the meaning of this Article.

Rotation & Retirement of Directors

- (b) The Directors to retire in every year shall be those who have been longest in office since their last election, but as between person who become Directors on the same day those to retire shall unless they otherwise agree amongst themselves, be determined by lot.

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

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

When candidate  
for Office of  
Director must  
give notice file  
consent in  
writing

#### PROCEEDINGS OF DIRECTORS

Meetings of  
Directors

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

(b) The Chairman, Director or any Officer authorised by the Directors may call a meeting of the Board of Directors.

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

Notices

138. (a) Notice of every meeting of the Board or a Committee thereof shall ordinarily be given in writing to every Director for the time being at his usual address.

(b) It shall not be necessary to give notice of a meeting of Directors to any Director for the time being away from India.

Quorum

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

(b) If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman shall appoint.



140. The Chairman may and on the requisition of a Director shall at any time, summon a meeting of the Board.

Director may  
summon  
meetings

141. The Directors may choose some one of their number to be Chairman and the Director so chosen shall continue as chairman until otherwise determined by the Board, if at any meeting of the Board the Chairman be not present within five minutes after the time appointed for holding the same the Directors present shall choose some one of the in number to be Chairman of such meeting.

Powers to  
appoint  
Chairman

142. A meeting of Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles or the Act for the time being vested in or exercisable by the Board.

Powers of the  
Board Meetings

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

Power to appoint  
committee and to  
delegate powers

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

Resolution  
without Board  
Meeting valid

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

Resolution  
without Board  
Meeting valid

#### POWERS OF THE BOARD

146. Subject to the provisions of the Act, control of the Company shall be vested in the Board, who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or

required whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided, further, that in exercising any such powers or doing and such act or things, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute, or in the Memorandum of Association of the Company or in these Articles, or in any regulations made by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Director which would have been valid if that regulation has not been made.

Power to keep  
foreign register

147. The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act with regard to keeping of a foreign Register; and the Board may (subject to the provisions of those sections) make and vary such regulation as it may think fit in respect of the keeping of any such register.

Debentures

148. Every debenture or other instrument issued by the Company for securing the payment of the money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture-stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on a condition that they shall be convertible into any shares of any denomination, and with any special privileges as to redemption, surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting.

Directors may  
pay commission

149. The Directors may at any time pay or agree to pay commission to any person in consideration of the subscribing underwriting or agreeing to subscribe or underwrite (whether absolutely or conditionally) any debentures of the Company, but so that if the commission shall be paid or be payable out of the capital the statutory conditions and requirements shall be observed and complied with and the commission shall not exceed two and a half per cent of the face value of the debentures.

Drawings etc.  
of negotiable  
and other  
instruments

150. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for the moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by the Managing Director or by such person and in such manner as the Board shall from time to time by resolution determine.

Management of  
Company's  
Affairs abroad

151. The Board may make such arrangements as may be thought fit for the management of the Company's affairs abroad and may for this purpose (without prejudice to the generality of their powers) appoint local boards, and agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient. The foreign seal be affixed by the authority and in the presence of any instruments sealed therein shall be signed by such persons as the Board shall from time to time by writing under the seal appoint. The Company may also exercise the powers of keeping Foreign Register.

162. Without prejudice to the General powers conferred by these presents but, subject, however to Sections 292, 293, 294, 296, 297, and 314 of the Act it is hereby expressly declared that the Directors shall have the following powers that is :

Specific powers  
given to the  
Directors

- (1) To pay the costs, charges, preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) To pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debenture or other securities may be either specifically charged upon all or any part of the property of Company and its uncalled capital or not so charged.
- (3) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (4) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company or in such other manner as they think fit.
- (5) To appoint and at their discretion remove or suspend such managers, secretaries, experts and other officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit.
- (6) To appoint any person (whether incorporated or not) to accept and to hold in trust for the Company and property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (7) To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment in satisfaction of any debts, dues and of any claims or demands by or against the Company and act on behalf of the Company in all matters to bankrupts and insolvents and apply and obtain letters of administration, provided



that the Board shall not except with the consent of the general meeting remit or give time for the repayment of any debt due by a Director.

- (8) To refer any claims or demands by or against the Company or to enter into any contract or agreement for reference to arbitration and to observe, enforce, perform, compound or challenge such awards and to take proceedings for the reversal of the same.
- (9) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- (10) To act as trustees in composition of the Company's debtors.
- (11) To make, vary and repeal bye-laws for regulation of business of the Company and the duties of officers and servants.
- (12) Subject to the provisions of the Act and in particular subject to Sections 309 and 310 of the Act, to give a Director of any officer or any other person whether employed or not by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company, and such commission or share of profit shall be treated as part of the working expenses of the Company.
- (13) At any time and from time to time by power of Attorney under the seal of the Company, to appoint any person or persons to be the attorney of the Company in India or abroad for such purposes and with such powers, authorities and discretion and for such period and subject to such conditions as the directors may from time to time think fit; and any such appointment may be made in favour of any Company, or the Members, Directors, Nominees or Managers of any Company or firm or otherwise in favour of fluctuating body of persons whether nominated directly or indirectly by the Directors and any such power or attorney may contain such powers enabling any such delegates or attorneys as aforesaid sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
- (14) With the sanction of the board to execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale

and any such powers, convenients and provisions as shall be agreed upon or other agreements as may be brought in.

- (16) In conformity with Sections 293 (1) (c) and 372 of the Act to invest and deal with any of the moneys of the Company in such manner as they think fit and from time to time to vary or realise such investments.
- (16) To enter into all such negotiations and contracts, rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.
- (17) To act jointly or severally in all or any of the powers conferred on them.
- (18) To comply with the requirements of the Act or any other local law which in their opinion shall, in the interests of the Company be necessary or expedient to comply with.
- (19) To delegate all or any of the powers, authorities and discretions for the time being vested in them and in particular, from time to time to provide by the appointment of an attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manners as they think fit.
- (20) To provide for the welfare of employees or ex-employees of the Company and the wives, widows and families of the dependants or connections of such persons by building or contributing to the building of houses dwelling or chawls or by grants of money, pensions, allowances, bonuses or other payment or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions, recreations, hospitals and dispensaries and all other kinds of medical relief.
- (21) Subject to Section 293 (1) (e) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, national, social, scientific, literary, educational, medical or other institutions the object of which shall have any moral or other claim for support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.

- (22) To open and deal with the current accounts, overdraft accounts with any bank or banks for carrying on any business of the Company.
- (23) Subject to Section 293 (1) (a) of the Act to sell or dispose any of properties of the Company to any person in consideration of cash payment in lump sum or by instalment or in return for any other service rendered to the Company.
- (24) To get insured any or all the properties of the Company and any or all the employees and their dependants against any or all risks.
- (25) To appoint and nominate any person or persons to act as proxy or proxies for the purpose of attending or voting on behalf of the Company at a meeting of any Company or association.
- (26) Subject to Section 294 of the Act to appoint purchasing and selling agents for the purchase and the sale of Company's requirement and products respectively.
- (27) Subject to Section 293 (1) (e) of the Act to give away in charity moneys received from any sources whatever or from any assets of the Company for any charitable purposes.
- (28) Before declaring any dividend to set aside such portion of the profit of the company as they think fit, to form a fund to provide for the pension, gratuities or compensation or create a provident fund or benefit fund in such manner as the Directors deem fit.
- (29) To realise, compound and allow time for the payment or satisfaction of any debts due to or by the Company and any claims or demands by or against the Company to arbitration and observe and perform the awards.
- (30) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem or pay off any such securities.

#### LOCAL MANAGEMENT

Local  
Management

153. The directors may from time to time provide for the 'Management' and transaction of the affairs of the Company in

any specified locality whether at home or abroad in such manner as they think fit, and the provisions contained in the three next following Articles shall be without prejudice to the general powers conferred by this Article but subject to the provisions of Sections 292 to 297 of the Act.

154. The Directors from time to time, and at any time may establish any local offices or agencies for managing any of the affairs of the Company in any such specified locality and may appoint any persons to be members of such local offices or any managers or agents, and may fix their remuneration. And the Directors from time to time, and at any time may subject to the provisions of Sections 292 to 297 of the Act delegate to any person so appointed any of the powers and authorities and discretions for the time being vested in them any may authorise the members for the time being of any such local offices or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and conditions as the Directors may think fit and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

Local Board  
Delegation

155. The Director may at any time and from time to time by powers of attorney under the Company's seal, appoint any person to be the attorneys of the Company for such purposes and subject to the provisions of Sections 292 to 297 of the Act with such powers, authorities and discretion not exceeding those vested in or exercisable by the Directors under these presents and for such period and subject to such conditions as the Directors may from time to time think fit, and any such appointment may, if the Directors think fit, be made in favour of the members or of any Company, or of the members, Directors, nominees, or managers of the Company or firm or in favour of any fluctuating body persons, whether nominated directly or indirectly by the Directors, and any such powers of attorney may contain such provisions for the protection or conveniences of persons dealing with such attorneys as the Directors think fit.

156. Any such delegates or attorneys aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

Sub-delegation

#### MANAGING/WHOLE-TIME DIRECTORS

157. The Company by ordinary resolution or the Directors may, Subject to the provisions of Section 268 and 269 of the Act, from time to time appoint one or more of the Directors to be Managing Director or Managing Directors or other whole time Directors of Company for a term not exceeding five years at a time and may from time to time subject to the provisions of any contract between him or them and the Company remove or dismiss him or them from office and appoint another or others in his or their place or places.

Appointment  
of Managing/  
wholetime  
Director

Secretary



What provisions  
he will subject to

158. A Managing or whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Director or in fixing the number of Directors to retire, but subject to the provisions of any contract between him and the Company he shall be subject to the provisions as to resignation and removal as the Directors of the Company and he shall 'ipso facto' and immediately, cease to be a Managing Director or whole-time Director if he ceases to be a Director from any cause.

159. Subject to the provision or Sections 309, 310 and 311 of the Act, a Managing Director or whole-time Director shall, in addition to the usual remuneration payable to him as a Director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both provided that such percentage shall not exceed five percent for any one Managing or whole-time Director and ten percent for all of them together.

160. The Directors may, subject to the provisions of Sections 291 to 297 of the Act, from time to time entrust to and confer upon a Managing Director or whole-time Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may confer such powers either collaterally with or to the exclusion of, and substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### MANAGER

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

Director may be  
appointed as  
Manager

162. A Director may be appointed as Manager.

#### SECRETARY

Secretary

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



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

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

Directors may be appointed as Secretary

### THE SEAL

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

Directors to provide a common Seal and its Custody

(b) The seal shall not be affixed to any instrument except in the presence of a Director or an officer duly authorised who shall sign every instrument which seal shall be affixed. Provided, nevertheless, that any instrument other than a share certificate bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (Issue of share Certificates) Rules, 1960 shall apply.

Use of Seal

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

Official Seal for use outside India

### ANNUAL RETURNS

166. The Company shall make the requisite Annual return in accordance with Sections 159 and 161 of the Act.

Annual Returns

### RESERVES

167. The Board may from time to time, before recommending any dividend set apart any such portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or the liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company, and may, subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares in the Company) as it may think fit, and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the

reserves into such special funds as it thinks fit, with full power to employ the reserves or any part thereof in the business of the Company, and that without being bound to keep the same separated from the other assets. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve.

Investment of  
the Money

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

#### CAPITALISATION OF PROFITS

Capitalisation

169. (1) The Company in General Meeting may, upon the recommendation of the Board, resolve.

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

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

170. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall :-

Board may make appointments etc.

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

(b) generally do all acts and things required to give effect hereto,

(2) The board shall have full power :-

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

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation of (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.

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

#### INTEREST OUT OF CAPITAL

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

Interest out of capital

#### DIVIDENDS

172. Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of the Company, but so that holder of partly paid up share shall be

How profit shall be divisible

only entitled to such a proportion of the distribution upon a fully paid up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms of providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid up in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

**Dividends**

173. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these present and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

**Declaration of Dividends.**

174. The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may subject to the provisions of Section 207 of the Act, fix time for payment.

**Amount of Dividends**

175. No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.

**Dividends out of profits only**

176. No dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central of State Government for the payment of dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.

177. The declaration of the Board as to the amount of net profits of the Company shall be conclusive subject to the provisions of the Act.

**Interim dividend**

178. The Directors, if in their opinion, the position of the Company justifies may from time to time without the sanction of a general meeting pay interim dividends to one or more classes of shares to the exclusion of others at rates which may be differing from class to class and when declaring such dividend they should satisfy themselves that the preference shares which have prior claim in respect of payment of dividend shall have their entire rated dividend at the time of final preparation of the accounts for the period.

**Debts may be deducted**

179. No member shall be entitled to receive payment of and dividend in respect of his share or shares whilst any money may be due or owing from him as is presently payable to the Company in respect of such share or shares or otherwise on account of any debts, liabilities or engagements of the members of the company, either alone or jointly with any other person or persons, and the Directors may deduct from the dividend or interest payable to any members all sums of money so due from him to the Company.

**Dividend and call together**

180. 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 made earlier be payable at the same time as the dividend and the dividend may if so arranged between the Company and the member, be set off against the call. The making of a call under this Article shall be deemed ordinary business of an ordinary meeting which declares dividend.

181. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the Company.

Effect of transfer

182. The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect thereof or shall transfer the same.

Retaining of dividend under transmission clause

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

Retaining of dividend on which the Company has lien

184. Any one of several persons who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares.

Joint-holders

185. Notice of any dividend whether interim or otherwise shall be given to the person entitled to share therein the manner hereinafter provided.

Notice of any Dividend

186. Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the register in respect of the joint-holding or to such person and at such address as the member or person entitled or such joint-holders as the case may be, may direct, and every cheque or warrant so sent shall be made payable, to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint-holders as the case may be, may direct.

Payment by post

187. Any dividend unclaimed shall be deposited in accordance with the provisions of the Act.

Unclaimed Dividends

188. The Company shall not be responsible for the loss of any cheque, dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

#### BOOKS AND DOCUMENTS

189. The Director shall cause to be kept in accordance with Section 208 of the Act proper books of accounts with respect to :-

Books of accounts to be kept

- (a) all sums of money received and spent by the Company and the matters in respect of which the receipt and expenditure take place.
- (b) all sales and purchases of goods by the Company.
- (c) the assets and liabilities of the Company.

190. The books of accounts shall be kept at the office or at such other place as the Board thinks fit, and shall be open to inspection by the Directors during business hours.

Inspection by  
Members

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

#### AUDIT

Audit

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

Appointment of  
Auditors etc.

193. The Company at each Annual General Meeting shall appoint an auditor or auditors to hold office and until the next Annual General Meeting and their appointment, remuneration. Rights and duties shall be regulated by Sections 224 to 227 of the Act.

Branch Audit

194. Where the Company has a branch office, the provisions of section 228 of the Act shall apply.

Rights of Auditor  
to attend General  
Meeting

195. All notices of, and other communication relating to any General Meeting of the Company which any member of the Company is entitled to have been sent to him shall also be forwarded to the Auditor of the Company, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends to any part of the business which concerns him as an auditor.

Auditors' Report  
to be read

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



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

When account to be deemed to be settled

# SERVICE OF NOTICE AND DOCUMENTS

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

Service of documents and notice to members

199. The 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 at the meeting.

Accidental omission not to invalidate

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

Transferees etc. bound by prior notice

201. The signature to any notice to be given by the Company may be written, printed, or lithographed.

Mode of Signature

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

Notice valid through Member deceased

203. Any notice required to be given by the Company to the members of any of them and not expressly provided for these Articles or by the Act shall be sufficiently given if given by advertisement.

When notice may be given by advertisement

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

How to be advertised

205. Any notice by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

When notice by advertisement deemed to be served

# RECONSTRUCTION

206. On any sale of the whole or any part of the undertaking of the Company the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either than existing or to be formed for the purchase in the whole or in the part of the

Reconstruction

property of the Company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding up) may distribute such shares or securities, or any other property of the Company amongst the members without realisation, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of cash shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the member, contributories of the Company, and for the valuation of any such securities or property at such price and in such manner at the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act, be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto save only in case the Company is proposed to be or is in course of being wound up and subject to the provision of section 484 of the Act as are incapable of being varied or excluded by these Articles.

#### WINDING UP

Right to preference share-holders

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

Distribution of assets in specie

208. (1) Subject to the provisions of the Act, if the Company shall be wound up, the liquidator may with the sanction of a Special resolution of the Company and any other sanction required by the Act divide amongst contributories in specie or kind the whole or any part of the assets of the Company whether they shall consist of property of the same kind or not.

(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(3) The liquidator may, with the like sanction of a special resolution, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories or any of them as the liquidator shall think fit.

Distribution of assets

209. (1) In the event of the Company being wound up the holder of preference shares, if any shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repaying to them the amount paid-up to the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, Whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid-up on the preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares that the losses shall be borne

by the holders of preference share as nearly as may be in proportion to the capital paid-up which ought to have been paid-up on the shares held by them at the commencement of the winding-up and the arrears of dividend as aforesaid.

- (2) The assets, if any, available for distribution after payment to the preference share-holders as aforesaid shall be distributed amongst the holders of Equity shares in proportion to the capital at the commencement of the winding-up, paid-up or which ought to have been paid-up on the shares in respect of which they were respectively registered.
- (3) This Article is to be without prejudice to the right and privileges amongst holders of preference shares of different series.

#### SECRECY

210. Subject to provisions of sections 635 B of the Act, every Director, Manager, Auditor, Trustee, Member of a committee, Officer, Servant, Agent, Accountant or other person employed in business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Secrecy

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

No member to enter the premises of the company without permission

#### INDEMNITY

212. Every Director, Managing Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed by the Company as Auditor shall be indemnified out of the assets of the Company against all liability incurred by him as such Director, Managing Director, Manager, Secretary, Officer or Auditor in defending any proceedings, whether civil or criminal, in

Indemnity

which judgement is given in his favour or in which he is acquitted' or in connection with any application under Section 603 of the Act in which relief is granted to him by the Court.

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



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

| Names, Addresses, Descriptions and Occupations of subscribers  | Number of equity shares taken by each subscriber | Signatures of Subscribers | Names, Addresses, Descriptions and Occupations of witnesses  |
|--|--|---------------------------|--|
| 1. NARENDRA DEV NARAYAN<br>S/o Late Rai Bahadur Jug Dutt<br>44A, Wellesley Street<br>Calcutta-700016<br>Advocate                       | 10<br>(Ten)                                      | Sd/-                      | Witness to all signatories<br>Vinod Kumar Kandoi<br>S/o Sri Nemchand Kandoi<br>135A Biplabi Rash Behari Basu Road<br>Calcutta-700001<br>Chartered Accountant |
| 2. PRAMOD KUMAR SARAOGI<br>S/o Late Bajrang Lal Saraogi<br>57, Sir Hariram Goenka Street<br>Calcutta-700070<br>Service                 | 10<br>(Ten)                                      | Sd/-                      |  |
| 3. DEOKI NANDAN DHANUKA<br>S/o Sri Madan Lal Dhanuka<br>223E, Battala Lane<br>P. o. Hind Motor<br>West Bengal<br>Business              | 10<br>(Ten)                                      | Sd/-                      |  |
| 4. RADHEY SHYAM SINHA<br>S/o Late Dr. Madan Mohan Sinha<br>9, Dr. Sarat Kumar Deb Street<br>P. o. Konnagar<br>Dist. Hooghly<br>Service | 10<br>(Ten)                                      | Sd/-                      |  |
| 5. VINOD KUMAR JALAN<br>S/o Sri Shyam Sunder Jalan<br>1, Burdwan Road, Alipore<br>Calcutta-700027<br>Business                          | 10<br>(Ten)                                      | Sd/-                      |  |
| 6. SHIV KUMAR DIDWANIA<br>S/o Brahma Dutt Didwania<br>4A, Shanti Nagar Housing Society<br>Lilooah<br>West Bengal<br>Service            | 10<br>(Ten)                                      | Sd/-                      |  |
| 7. BURESH KUMAR DHANUKA<br>S/o Kaluram Dhanuka<br>63, Vivekanand Road,<br>Calcutta-700006<br>Business                                  | 10<br>(Ten)                                      | Sd/-                      |  |
| Total  | 70<br>(Seventy)                                  |                           |  |

Dated, the 19th day of November 1981

Company Petition No. 279 of 1994  
Connected with  
Company Application No. 133 OF 1994  
IN THE HIGH COURT AT CALCUTTA  
Ordinary Original Jurisdiction



A. Shankh  
CP. 279/94  
CA. 133/94  
Order dt- 28.9.94  
2/12

/ Seal /  
The Hon 'ble Mr. Justice  
Baboo Lall Jain.

President of the Union of India

In the Matter of :  
The Companies Act, 1956

And

In the Matter of :  
An application under Sections 391(2) and  
394 of the said Act

And

In the Matter of :  
Poli Commercial Company Limited, a  
Company incorporated under the Companies  
Act, 1956 and having its Registered Office  
at 32, Ezra Street, Calcutta-700001, within  
the aforesaid jurisdiction

And

In the Matter of :

8-3-12  
94



2.

Company incorporated under the Companies Act, 1956 and having its Registered Office at No. 20-A, British Indian Street, Calcutta-700069 within the aforesaid jurisdiction.

And

In the Matter of :

1. Poli Commercial Company Limited,
2. Kartick Viniyog Private Limited.

.. Petitioners

The above petition coming on for hearing on this day and upon reading the said petition, the order dated the seventh day of June in the year one thousand nine hundred and ninety four whereby the abovenamed petitioner no.2, Kartick Viniyog Private Ltd. (hereinafter referred to as the said transferor company) and the abovenamed petitioner No.1, Poli Commercial Co. Ltd. (hereinafter referred to as the said transferee company) were ordered to convene separate meetings of the equity shareholders of the said transferor company and the said transferee company for the purpose of considering and, if thought fit, approving with or without modification the Scheme of amalgamation proposed to be made between the said transferor company and the said transferee company and annexed to the joint affidavit of Shiv Kumar Didwania and Kunol Ghosh Bastidar filed on the seventh day

of June in the year one thousand nine hundred and ninety four, The Statesman and the Samarg both dated the fourteenth day of June in the year one thousand nine hundred and ninety four each containing the advertisement of the said notices convening the said meetings directed to be held by the said order dated the seventh day of June in the year one thousand nine hundred and ninety four the affidavit of Sitala Prasad Pathak filed on the fourth day of July in the year one thousand nine hundred and ninety four showing the publication and despatch of the notices convening the said meetings, the reports of the Chairman of the said meetings both dated the thirteenth day of July in the year one thousand nine hundred and ninety four as to the result of the said meetings. And upon reading on the part of the petitioner companies, an affidavit of Sitala Prasad Pathak filed on the fifteenth day of September in the year one thousand nine hundred and ninety four and the exhibits therein referred to. And upon reading the order made herein and dated the twentieth day of July in the year one thousand nine hundred and ninety four and upon hearing Mr. Amitabha Sukla Advocate for the petitioner companies and Mr. B. Debnath Advocate for the Central Government and it appearing from the said reports that the proposed Scheme of amalgamation has been approved unanimously. And it appearing that the learned Advocate for the Central Government is not objecting to the sanction of this Scheme and no party has appeared to oppose this Scheme.

This court doth hereby sanction the scheme of amalgamation set forth in Annexure 'A' of the petition herein and specified in the schedule 'A' hereto and doth hereby declare the same to be binding with effect from the sixteenth day of March in the year one thousand nine hundred and ninety four (hereinafter referred to as the said transfer date) on the said transferor company and the said transferee company and their shareholders and all concerned.

This court doth order :

- (1) That all the properties, rights and interests of the

companies  
ed  
Street,  
aid

said transferor company specified in the first, second and third parts of the Schedule 'B' hereto be transferred from the said transfer date without any further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and vest in the said transferee company for all the estate and interest of the said transferor company wherein subject nevertheless to all charges (not affecting the same) and

That all the liabilities and duties of the said transferor company be transferred from the said transfer date without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the said transferee company and

That all proceedings and/or suits and/or appeals now pending by or against the said transferor company be continued by or against the said transferee company, and

That leave be and the same is hereby granted to the petitioner companies to file the schedule of assets of the said transferor company within two weeks from the date hereof; and

That the said transferor company and the said transferee company do within thirty days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies West Bengal for registration; and

That the Official Liquidator of this court do file a report under Second proviso to Section 394(1) of the Companies Act, 1956 in respect of the said transferor company within six weeks from the date hereof; and

That the said Official Liquidator do forthwith serve a copy of the said report to be filed by him or Mr. Amitabha Shukla Advocate for the petitioner companies after filing of the said report with this court; and

That leave be and the same is hereby granted to the said transferee company to apply for the dissolution without winding up of the said transferor company after filing of the



said report by the said Official Liquidator; and

(9) That any person interested shall be at liberty to apply to this court in the above matter for such directions as may be necessary; and

(10) That the petitioner companies shall pay to the Central Government its costs of and incidental to this application, assessed at one hundred and fifty Gold Mohurs within a week from the date hereof; and

(11) That all parties do act on a copy of the minutes of this order duly signed by an officer of this court being served on them.

Witness Shri Krishna Chandre Agarwal Chief Justice at Calcutta aforesaid the twenty eighth day of September in the year one thousand nine hundred and ninety four.

Amitabh Shukla - Advocate.

J. Nandi

2.12.1994

For Registrar

Schedule 'A' above referred

to

Scheme of Amalgamation

of

Poli Commercial Company Limited

And

Kartick Viniyog Private Limited

Part-I

#### Definitions

For the purpose of this Scheme

A. "P.C.C." means Poli Commercial Company Limited, a company incorporated under the Companies Act, 1956, having its Registered Office at No. 32, Liza Street, Calcutta-700001 in the State of West Bengal.

B. "KARTICK" means Kartick Vinnyog Private Limited, a Company, incorporated under the Companies Act, 1956 having its Registered Office at No. 20-A, British Indian Street, Calcutta-700069 in the State of West Bengal.

C. "THE TRANSFEREE COMPANY" means Poli Commercial Company Limited.

D. "THE TRANSFEROR COMPANY" means Kartick Vinnyog Private Limited.

E. "TRANSFER DATE" means 16th day of March, 1994.

F. "UNDERTAKINGS OF THE TRANSFEROR COMPANY" means & include

- (i) All the properties, assets and liabilities of the transferor company immediately before the amalgamation.
- (ii) Without prejudice to the generality of the foregoing clauses the said undertaking, shall include all rights, powers, interests, authorities, privileges, liberties and all properties, moveable and immovable, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature wheresoever situate including lease tenancy and agency rights and all other interests or rights in or arising out of such property together with all licences, trade marks, import, entitlements and other quotas if any held applied for or as may be obtained thereafter by the transferor company or which the transferor company is entitled to and all debts, liabilities, duties and obligations of transferor company of whatsoever kind.

#### WHEREAS

1. "PALL" has an authorised share capital of Rs. 99,00,000/- divided into 9,90,000 equity shares of Rs. 10/- each and an Issued, subscribed and paid up share capital of Rs. 24,00,000/- divided into 2,40,000 equity shares of Rs. 10/- each fully paid.

1. "KARTICK" has an authorised share capital of Rs. 75,00,000/- divided into 7,50,000 equity shares of Rs. 10/- each and Issued, subscribed and paid up share capital of Rs. 75,00,000/- divided into 7,50,000 equity shares of Rs. 10/- each fully paid up.

3. The main business of "Poli" and "Kartick" is to carry on the business of Investment and financial Company.

4. For the purpose of better, efficient and economical management control and running of the undertakings concerned and for administrative convenience and to obtain advantages of economics of scale, the present, scheme is proposed to merge "Kartick" with "Poli".

#### Part- II

##### SCHEME

1. With effect from the transfer date, the undertakings of the transferor company shall without further act or deed be transferred to and be vested or deemed to have been transferred to and vested in the Transferee company pursuant to Section 394(2) of the Companies Act, 1956 (hereinafter called the "Act"). Subject, to all charges, liens mortgages, if any, then affecting the same or any part thereof.

2. If any suit, appeal or other proceedings of whatsoever nature (hereinafter called the proceedings) by or against the Transferor company be pending the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertakings of the transferor company of anything contained in this scheme but the proceedings including those by the creditors of the Transferor company may be continued, prosecuted and enforced by or against the Transferee company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made.



3. - The Transfer and vesting of properties and liabilities under clause 1 hereof and the continuance of the proceedings by or against the Transferee company under clause 2 hereof shall not effect any transaction of proceedings already concluded by the transferor company on and after the transfer date to the end and intent that the transferee company accepts and adopts all acts, deeds and things done and executed by or on behalf of the Transferor company as acts, deeds and things done and executed by or on behalf of the Transferee company.

4. Subject to other provisions contained in this scheme all contracts, deeds, bonds, agreements and other documents and instruments of whatsoever nature to which the Transferor company is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively, as if, instead of the Transferee company, the Transferee company had been a party thereto.

5. Upon the Scheme being sanctioned by the Hon'ble High Court at Calcutta and transfers taking place as stipulated under clause 1, hereof.

~~IN THE TRANSFEREE COMPANY~~

(a) The Transferee company shall without further application issue and allot to every equity shareholders of "Kartick" one equity share of Rs. 10/- each credited as fully paid in "Poli" for every one equity share of Rs. 10/- each fully paid up held by such shareholder in "Kartick."

(b) All shares to be issued and allotted in the transferee company as aforesaid shall rank pari passu in all respects with the existing equity shares in the Transferee company.

(c) All the equity shareholders of Transferor company shall accept the shares to be allotted as aforesaid in lieu of their shareholder in the Transferor company.

(d) No member of the Transferor company will be allotted any fractional part of the shares of the Transferee company to which he may be entitled to by virtue of sub-clause (a) above, but all such shares of the Transferee company representing fractions, if any, shall be consolidated and allotted to a trustee to be nominated by the Board of Directors of the Transferee company upon Trust to sell the same and to pay the net proceedings thereof after deducting the costs of sale and incidentals thereto the members of the Transferor company entitled thereto in the proposition in which they are so entitled and all members of the Transferor company shall accept the same in lieu of such fractions, if any fraction is left even after such consolidation, same shall be ignored.

(e) Every member of the Transferor company shall surrender to the Transferee company for cancellation of the share certificates) in respect of share held by him in the Transferee company a certificate for the shares in the transferee company to which he may be entitled to under sub-clause (a) hereof.

(f) The Transferee company shall take over all the employees of the transferor company without interruption in service and on terms of no less favourable to them than those applicable to them. The service of the said employees with the transferor company prior to such taking over will not be treated as having been broken for the purpose of provident fund, gratuity and other benefits but will be reckoned for all purposes from the date of their respective appointment with the transferor company.

10.

(g) Subject to an order being made by the court the Transferor company shall be dissolved without winding up.

PART-III

1. The transferor and transferee companies shall make necessary applications to this Hon'ble Court at Calcutta for obtaining the court's sanction of this Scheme and for the consequent dissolution without winding up of the transferor company.
2. Until the scheme is sanctioned and transfers affected as aforesaid, the Transferor company shall carry on its business in usual course and shall be deemed to be carrying on the said business for and on behalf of and in trust for the transferee company with effect from the transfer date.
3. The transferee company shall pay all the costs, charges and expenses of and incidental to this scheme of Amalgamation.
4. The Board of Directors of the Transferor and Transferee Companies or any person authorised by them may assent on behalf of all concerned of any modification to this scheme of Amalgamation or to any ~~sankha~~ other authority may impose or which the said Board of Directors may in their sole discretion think fit for the purpose of effectively carrying out this Scheme and the said Board of Directors may do all acts things and deeds as may be necessary and/or expedient for the purpose of implementing this Scheme.

J. Nandi  
2.12.94  
For Registrar.

Schedule 'B' above referred  
to

Schedule of Assets.

Schedule of Assets of KARTICK VINIYOG PRIVATE LIMITED ( THE

11.

TRANSFEROR COMPANY) To Be Transferred to and vested in the  
Transferee company Namely Pali Commercial Company Limited

Part-I

(Short Description of Free Hold Properties)

NIL

Part - II

(Short description of Lease-Hold properties)

NIL

Part- III

(Short description of stocks, shares, Debentures and other  
choses in Action).

NIL.

J. Nandi

2.12.1994.

For Registrar.

By that this is a true copy  
of the original in my custody  
Dated: 302 day of 10 94

For Registrar of the High Court of Calcutta  
J. Nandi

Sks.



Company Petition No. 279 of 1994  
connected with  
Company Application  
SUK No. 133 OF 1994  
IN THE HIGH COURT AT CALCUTTA  
Ordinary Original Civil Jurisdiction

In the Matter of :  
The Companies Act, 1956  
And

In the matter of :  
Poli Commercial Co. Ltd. & Anr.

- (i) Date when the decree or order was completed ..... 2.12.94e  
(ii) Date of application for copy .... 3.10.74e  
(iii) Date of notifying the requisite number of folios and stamp ..... 2.12.94e  
(iv) Date of delivery of the requisite folios and stamp ..... 2.12.94e  
(v) Date on which the copy is ready for delivery ..... 3.12.94e  
(iv) Date when delivery was taken of the copy by the applicant ..... 3.12.94e

Order Dated of 28th day of  
Filed this September 1994  
2nd day of  
December, 1994.

Superintendent,  
C. M. Order Department.

*Das.*  
Superintendent,  
Copyists Department,  
High Court, O. S.

3.12.94

*A. Sukla*  
Advocate



THE COMPANIES ACT, 1956

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COMPANY LIMITED BY SHARES

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**Memorandum  
and  
Articles of Association  
of  
Pali Commercial Company  
Limited**

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