

THE COMPANIES ACT, 1956  
(COMPANY LIMITED BY SHARES)

**ARTICLE OF ASSOCIATION  
OF  
TARINI ENTERPRISES LIMITED**

**PRELIMINARY**

1. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act. The marginal notes hereto shall not effect the construction hereto and in these presents, unless there be something in the subject or context inconsistent therewith.

"The Act" means the Companies Act, 1956

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

"The Company" means Tarini Enterprises Limited

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

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

"The Office" means the registered office of the Company for the time being.

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

"Dividend" includes Bonus.

"Month" means calendar month

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

"Proxy" includes Attorney duly constituted under a power of attorney

"Seal" means the common seal of the company.

"In Writing" and "Written" shall include printing, Lithography and other modes of representing or reproducing words in a visible form. Words' imparting the Singular number only, includes the plural number and vice-versa.

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

"SEBI" means the Securities & Exchange Board of India.

“Depository” means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India, 1992.

“Registered Owner” means a Depository whose name is entered as such in the records of the Company.

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

Words imparting the masculine gender only include the feminine gender.

Words imparting persons include corporations.

2. Save as provided herein, the regulations contained in Table “A” in schedule 1 of The Act shall not apply to the company

### **SHARE CAPITAL**

3. a) The Authorized Share Capital of the company shall be such amount and be divided into such shares as may, from time to time, be provided in clause V of Memorandum of Association with power to subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be, thought fit, and upon the subdivision of shares to apportion the right to participate in profits, in any manner as between the shares resulting from subdivision.  
  
b) The minimum paid up Capital of the Company will be Rs. 5,00,000/- (Rs. Five Lac)..
4. The Company shall have power to issue Preference Shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for purpose of such redemption, or liable to be redeemed at the option of the company, and the Board may subject to the provisions of Section 80 of the Act exercise such power in such manner as it thinks fit.
5. The Company may issue shares with differential rights as to dividend, voting or otherwise in accordance with the provisions of section 86 of the Companies Act, 1956 and rules made thereunder.
6. (1) Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the unissued capital or out of the increased share capital then:

- b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer if not accepted, will be deemed to have been declined.
- c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub clause (b) shall contain a statement of this right;

PROVIDED THAT the Directors may decline, without assigning any reasons to allot any shares to any person in whose favour any member may renounce the shares offered to him.

- d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner as they may think most beneficial to the company.
- (2) Notwithstanding anything contained in sub-clause (1), the further shares aforesaid may be offered to any persons (Whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.
- a) If a special resolution to that effect is passed by the company in General Meeting, or
  - b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.
- (3) Nothing in sub-clause (c) of (1) hereof shall be deemed;
- a) To extend the time within which the offer should be accepted; or
  - b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the company:

- (i) To convert such debentures or loans into shares in the company; or
- (ii) To subscribe for shares in the company.

Provided that the terms of Issue of such debentures or the terms of such loans include a term providing for such option and such term:

a) Either has been approved by the Central Government before the Issue of the debentures or the raising of the loans or is in conformity with Rules, if any made by that Government in this behalf; and

b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the Issue of the debentures or raising of the loans.

- 7. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may Issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so, issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.
- 8. Subject to the provisions of the Act it shall be lawful for the company to issue at a discount, shares of a class already issued.
- 9. The Company may, subject to compliance with the provisions of Section 76 of the Act, exercise the powers of paying commission on the issue of Shares/ debentures. The commission may be paid or satisfied in cash or shares, debentures or debentures stock of Company.
- 10. The company may pay a reasonable sum of brokerage, subject to the ceiling prescribed under the Act.
- 11. Subject to Section 187C of the Act, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by law required, be bound to recognize any trust, benami or equitable

or other claim to or interest in such shares or any fractional part of a share whether or not it shall have express or other notice thereof.

12. The Company may (subject to the provisions of Sections 100 to 105, inclusive, of the Act) from time to time by Special Resolution, reduce its Capital in any manner for the time being authorized by law, and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
13. Notwithstanding anything contained in these articles, the Board of Directors may, when and if thought fit, buy-back such of the company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and in accordance with the provisions of Sections 77A, 77AA and 77B of the Act or any Statutory Modification thereto and such other regulations and guidelines as may be issued in this regard.
14. Whenever the capital, by reason of the issue of Preferences Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of at least three-fourths of those shares, and all the provisions hereinafter contained as to General Meetings shall, mutatis mutandis, apply to every such Meeting, but so that the quorum thereof shall be Members holding in person or by proxy three-fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if this article were omitted.

#### **CERTIFICATE**

15. The certificate to title to shares shall be issued under the seal of the Company.
16. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of Issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such

form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to Issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.

17. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.
18. Every certificate under the Article No. 17 shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for Issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

#### **JOINT-HOLDERS OF SHARES**

19. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to provisions following and to the other provisions of these articles relating to joint holders;
  - a) The Company shall not be bound to register more than three persons as the joint holder of any shares.
  - b) The joint holders of a share shall be liable severally as well as jointly in respect of all payments which out to be made in respect of such shares.
  - c) On the death of any one of such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to or interest in such share but the board may deem require such evidence of death as it may deem fit.
  - d) Only the person whose name stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share.

## NOMINATION OF SHARES

20. (i) Every holder of shares, in, or holder of debentures of the Company may either singly or jointly up to two persons at any time nominate a person in the prescribed manner to whom the shares and/or interest of the Member in the capital of the Company or debentures shall be transferred in the event of his or her death. A member may revoke or vary his or her nomination, at any time, by notifying the Company to that effect.
- (ii) Where the shares in or debentures of the Company are held by more than one person jointly, the joint holders upto two persons may together nominate, in the prescribed manner, a person in whom all the rights in the shares in or debentures of the Company shall vest in the event of death of all the joint holders.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition whether testamentary or otherwise, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or holder of debentures of the Company or as the case may be, on the death of the last of the joint holders, become entitled to all the rights in the shares or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled.
- (iv) Any person who becomes a nominee by virtue of the aforesaid provisions upon the production of such evidence as may be required by the Board or Committee thereof and subject as hereinafter provided, elect, either:
- (a) to be registered himself as holder of shares or debentures, as the case may be; or
  - (b) to make such transfer of shares or debentures, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.
- (v) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased shareholder or debenture holder, as the case may be, had transferred the shares or debentures, as the case may be, before his death.
- (vi) No person shall be recognized by the Company as a nominee unless the shareholder has, during his life time, given intimation to the Company of his having appointed a nominee in the manner specified under Section 109A of the Company Act, 1956.
- (vii) The Company shall not be in any way responsible for transferring the shares and/ or debentures consequent upon such information.

- (viii) If the holder of the shares or debentures survives the nominee, then and in such case the nomination made by the registered holder shall be of no effect and shall automatically stand revoked.

### **CALLS**

21. The Directors may from time to time, subject to the terms on which any shares may have been issued, make such calls as they think fit. Upon the member in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereto 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 appointment by the Directors. A call may be made payable by installments.
22. That the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.
23. Not less than 30 (Thirty) days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
24. If by the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount of issue price or installment thereof shall be payable as if it was a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount or issue price or installments accordingly.
25. If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or installment shall be due, shall pay interest for the same at the rate of 12 (twelve) percent per annum, from the day appointed for the payment thereof to the actual payment or at such other rate as the Directors may determine but they shall have power to waive the payment thereof wholly or part.
26. On the trial or hearing of any action or suit brought by the Company against any member or representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose, on the Register of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

27. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

### **FORFEITURE AND LIEN**

28. If any member fail to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and expenses, that may have been incurred by the company by reasons of such non-payment.
29. The notice shall name a day (not being less than 30(thirty) days from the date of the notice and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.
30. If the requirement of any such notice as aforesaid be not complied with, any shares in respect which such notice has been given may, at any time, thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as herein provided.
31. When any shares 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 but no forfeiture shall be in any manner invalidated

by any omission or neglect to give such notice or to make such entry as aforesaid.

32. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot or otherwise dispose off the same in such manner as they think fit.
33. The Director may, at any time before any share so forfeited shall not be sold, re-allotted or otherwise disposed off, annual the forfeiture thereof upon such conditions as they think fit.
34. Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and the expenses, owing upon or in respect of such shares, at the time of installments, interest and the forfeiture together with interest thereupon, from the time of the forfeiture until payment at 12 (Twelve) percent per annum or such other rate as the Directors may determine and the Directors may enforce the payment thereof without any deduction or allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.
35. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against in the Company in respect of the share and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.
36. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a written title to such shares.
37. The Company shall have a first and paramount lien upon all the shares /debentures (other than fully paid-up shares/ debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/ debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/ debentures. Unless otherwise agreed, the registration of a transfer of shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures. The Directors may at any time declare any shares/ debentures wholly or in part to be exempt from the provisions of this clause.

Provided that the fully paid shares shall be free from all liens and that in the case of party paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

38. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively
39. Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Directors may issue new certificate in lieu of certificate not so delivered.
40. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and the statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

#### **TRANSFER AND TRANSMISSION OF SHARES**

41. Subject to the provisions of Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the Company together with the certificate or certificates of the shares, or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by or on behalf of transferees and the transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof.
42. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in case of partly paid shares be effected unless the company gives notice of the application to the transferee in the manner prescribed by the Act, and subject to the provisions of Articles hereof, the company shall, unless objection is made by the transferee within two weeks from the date of receipt the notice enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for the registration was made by the transferee.
43. Before registering any transfer tendered for registration, the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within two weeks from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.

44. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particular of every transfer of any share.
45. Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.
46.
  - a) No transfer shall be made to a minor or a person of unsound mind.
  - b) No fee shall be charged for registration of transfer, probate, letter of administration, certificate of death or marriage, power of Attorney or similar other instruments.
47. All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instruments of transfer shall be returned to the person who lodges the transfer deeds.
48. If the Directors refuse to register the transfer of any shares, the company shall, within one month from the date on which the instrument of transfer was lodged with the Company or intimation given send to the transferor and the transferee or the person giving intimation of such transfer, notice of such refusal.
49. On giving seven day's notice by advertisement in a news paper circulating in the district in which the office of the company is situated, the Register of members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.
50. The executors or administrator or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the company shall recognize as having any title to the shares registered in the name of such member and, in case of death of any one or more of the joint holders of any registered shares the survivors shall be only persons recognized by the Company as having any title to interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Before recognizing any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtained a grant of probate or

letters of administration or succession certificate, or other legal representation, as the case may be from a competent Court, provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable.

51. Any person becoming entitled to or to transfer shares in consequences of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this article, or of his title as the Director think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as "The Transmission Article". Subject to any other provisions of these Articles if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered as a member in respect of the share himself he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer to some other person he shall execute an instrument of transfer of shares. All the limitations, restrictions and provisions of these articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid.
52. Subject to any other provisions of these Articles if the Directors in their sole discretion are satisfied in regard thereof, a person becoming entitled to share in consequences of the death or insolvency of a member may receive and give a discharge for any dividends or other money payable in respect of the share.
53. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and the statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The instruments of transfer shall be in the form prescribed by the Act or the Rules made there under or where no such form is prescribed in the usual common form or any other form approved by the Stock Exchange in India or as near thereto as circumstances will admit.
54. (i) Every holder of shares or debentures or fixed deposits of the Company will have freedom to nominate at any time a person to whom his shares/ debentures/fixed deposits shall vest in the event of his/her death.  
  
(ii) Where the shares/debentures/fixed deposits are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures or fixed deposits of the Company, as the case may be, shall vest in the event of death of all the joint holders.

- (iii) Notwithstanding, anything contained in any other law for the time being in force, in respect of such shares or debentures or fixed deposits of the Company, where a nomination made in the prescribed purports to confer on any person the right to vest in the shares or debentures or fixed deposits of the Company, the nominee shall on the death of the holder of securities mentioned above, or as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or fixed deposits, or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
  - (iv) Any person who becomes nominee as aforesaid and becomes entitled to shares/ debentures/ deposits on the death of the registered holder, such nominee upon the production of such evidence as may be required by the Board of Directors of the Company, elect either to be registered as holder of the shares or debenture or Deposits or to make such transfer of the shares or debentures as the deceased shareholder or debenture holder could have made.
  - (v) The Board of Directors of the Company shall in either case have the same right to decline or to suspend registration, as it would have had if the deceased shareholder or debenture holder had transferred the shares or debentures before his death.
  - (vi) Where nominee is a minor it shall be lawful for the holder of the share or holder of debentures/fixed deposits to make the nomination to appoint in the prescribed manner any person to become entitled to shares in or debentures or deposits of the Company in the event of his death during the minority.
55. (i) Dematerialization of Securities  
Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its existing securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for issue in dematerialized form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares both in material and dematerialized form in any media as permitted by law including any form of electronic media.
- (ii) Issue of Securities and Option for Investors  
Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. If a person opts to hold the security with a depository, and on the receipt of the information, the depository shall enter in its

record the name of the allottees as the beneficial owner of the security.

- (iii) Securities in Depository mode to be in Fungible Form  
All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- (iv) Rights of Depositories and Beneficial Owners
  - (a) Notwithstanding anything to the contrary contained in the act or these articles a depository shall be deemed to be the registered owner of the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
  - (b) Save as otherwise provided in [a] above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
  - (c) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.
- (v) Service of Documents  
  
Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.
- (vi) Transfer of Securities  
  
Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of who are entered as beneficial owners in the records of a depository.
- (vii) Allotment of Securities dealt with a Depository  
  
Notwithstanding anything in the Act or these Articles, where a depository deals with securities, the company shall intimate the details thereof to the depository immediately on allotment of such securities.
- (viii) Distinctive numbers of Securities held in a Depository

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

(ix) Register and Index of Beneficial Owners

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a Register and Index of members and other security holders.

### **SHARES WARRANTS**

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

### **STOCKS**

57. The Company may exercise the power of conversion of its shares into stock and in the case regulations 37 to 39 of Table "A" in Schedule I to the Act shall apply.

### **ALTERATION OF CAPITAL**

58. The Company may, by ordinary resolution from time to time, after the condition of Memorandum of Association as follow: -
- a) Increase in the Share Capital by such amount to be divided in to shares of such amount as may be specified in the resolution.
  - b) Consolidate and divide all or any of its share capital into shares or larger amount than its existing shares.
  - c) Sub divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, so however, that in the subdivision the proportion between the amount paid and the amount, if any unpaid on each reduced shares shall be the name as it was in the share from which the reduced share is derived, and
  - d) 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.
59. Subject to the provisions of Sections 100 to 104 of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

## **BORROWING POWERS**

60. The Board may from time to time and at its discretion, subject to the provisions of Section 58A, 292 and 293 of the Act, and Regulations made thereunder and Directions issued by RBI raise or borrow, either from the Directors or from elsewhere and secure the payment of any sums or sum of money for the purpose of the Company.
61. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. 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, appointment of Directors and otherwise. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
62. If the Board refuses to register the transfer of any debentures, the Company 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.

## **RESERVES**

63. Subject to the provision of the Act, the board shall in accordance with Section 205 (2A) of the act, before recommending any dividend, set aside out of the profits of the company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at its discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company as the Board may from time to time think fit). The Board may also carry forward any profit which it may think prudent not to divide without setting them aside as a reserve.
64. Any General Meeting may resolve that the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalized and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized amount be applied on behalf of such members in paying up in full any unissued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that

such distribution or payment shall be accepted by such member in full satisfaction of their interest in the said capitalized amount. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purposes of this Article only be applied in paying up of unmissed shares to be issued to members of the company as fully-paid bonus shares.

65. For the purpose of giving effect to any resolution under last two preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificate.

#### **GENERAL MEETING**

66. The Directors may, whenever they think fit, call an Extra Ordinary General Meeting provided however if at any time there are not in India, Directors capable of acting who are sufficient in number to form a quorum any Director present in India may call an Extra ordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.
67. The Board of Directors of the Company shall on the requisition of such member or member of the company as is specified in subsection (4) of Section 169 of the Act forthwith proceed to call an Extra ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the provisions of section 169 of the Act and of any statutory modification thereof for the time being shall apply.
68. The quorum for a general meeting shall be five members present in person.
69. At every General Meeting, the Chair shall be taken by the Chairman of the Board of Directors. If at any meeting, the Chairman of the Board of Directors be not present within fifteen minutes after the time appointed for holding the meeting or, though present be unwilling to act as chairman, the members present shall choose one of the Directors present to be Chairman or if no Director shall be present or though present shall be unwilling to take the Chair then members present shall choose one of their members, being a member entitled to vote, to be Chairman.
70. Any act or resolution which, under the provisions of this Article or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or the articles specifically require such act to be done or resolution passed by a special resolution.
71. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of share holders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at same time and place, unless the same shall be public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time

appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.

72. In the case of an equality of votes the Chairman shall both on a show of hand and a poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.
73. 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, It shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.
74. If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded

#### **VOTES OF MEMBERS**

75.
  - (1) On a show of hands every member present in person and being a holder of Equity shares shall have one vote and every person present either as a proxy on behalf of a holder of Equity Shares or as a duly authorized representative of a body corporate being a holder of Equity Shares, if he is not entitled to vote in his own right, shall have one vote.
  - (2) On a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.
  - (3) The voting rights of the holders of the Preference Shares including the Redeemable Cumulative Preference Shares shall be in accordance with the provisions of section 87 of the Act.
  - (4) No company or body corporate shall vote by proxy so long as a resolution of its Board of Directors under Section 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.
76. A person becoming entitled to a share shall not before being registered as member in respect of the share be entitled to exercise in respect thereof any right conferred by membership in relation to the meeting of the Company.
77. Where there are joint holders of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the register in respect o such share shall alone be entitled to vote in respect thereof. Several executor or administrators of deceased member in whose

name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

78. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorized in writing or if such appointer is a corporation under its common seal or the hands of its Attorney.
79. The instrument appointing a proxy and the Power-of-Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of authority shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.
80. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given. Provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.
81. Every instrument appointing a proxy shall as nearly as circumstances will admit be in the form set out in Schedule IX to the Act.
82. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.
83. Before or on the declaration of the result of the voting on any resolution on a show of hand, a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and fulfilling the requirements as laid down in Section 179 of the Act, for the time being in force.
84. 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 exercised any right or lien.

#### **DIRECTORS - GENERAL PROVISIONS**

85. The number of Directors shall not be less than three and not more than twelve.

86. The following shall be the First Directors of the Company:
1. Sh. Abhay Chand Bardia
  2. Sh. Ravi Prakash Bardia
87. The Directors shall have power, at any time and from time to time, to appoint any person as Director as additional director in 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 next Annual General Meeting of the Company and shall be eligible for re-election
88. Director shall not require to hold any share qualification.
89. The sitting fees payable to a Director for attending a meeting of the Board or a Committee of the Board or a general meeting shall be regulated as per the provisions of Section 310 of the Schedule XIII thereof.
90. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum number above fixed, the Directors shall not except for the purpose of filling vacancies or of summoning a General Meeting act so long as the number is below the minimum.
91. Subject to the provisions of Section 297, 299, 309 and 314 of the Act, the Directors (including Managing Director) shall not be disqualified by reasons of his their office as such, from holding office under the Company or from contracting with the Company either as vendor, purchaser, tender, agent, broker, lessor or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with a relative of such Directors or the Managing Director or with any firm in which any Director or a relative shall be a partner or with any other partner or with a private company in which such Director is a member or director interested be avoided nor shall any Director or otherwise so contracting or being such members or so interested be liable to account to the company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

#### **APPOINTMENT OF DIRECTORS**

92. The Company in General Meeting may, subject to the provision of these Articles and the Act, at any time elect any person to be Director and may, from time to time increase or reduce the number of directors.
93. Any member of the company shall be competent to propose the name of any person who is otherwise not disqualified as being a director of a company, for the office of director in the company and shall accordingly give a notice of atleast 14 days in writing alongwith a deposit of Rs.500/- (Rupees Five Hundred) or such sum as may for the time being be prescribed by the Act, which shall be refunded only after the person proposed to be appointed as director is elected.

94. If any Director appointed by the Company in general meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain his office so long as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of the Director under Section 284 of the Act.
95. The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. The Corporation, firm or person shall be entitled, from time to time, to remove any such Director or Directors and appoint another or others in his or their places. He shall be entitled to the same rights and privileges and be subject to the same obligation as any other Director of the company.
96. a) Notwithstanding anything the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and investment Corporation of India Limited (ICICI), Life Insurance Corporation on India (LID), General Insurance Corporation of India (GIC), Unit Trust of India (UTI) and other Financial Institutions of Central or State Governments or to any other Corporation or Institution or to any other Financing Company or other Body out of any loans granted by them to the Company or so long as ISBI, ICICI, LIC, GIL, UTI, or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, and LIC, GIC, UTI or other Finance Corporation or Credit Corporation or any other financing Company or body is hereinafter in these Articles referred to as "the Corporation") continue to hold shares in the company as a result of underwriting or direct subscription, the Corporation shall have a right to appoint from time to time any person or persons as a director or directors whole time or non-whole time, (which director or directors is/are hereinafter referred to as nominee director/s") on the board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.
- (b) The Board of directors of the company shall have no power to remove from office the nominee director/s. At the option of the Corporation, such nominee director/s shall not be liable to retirement by rotation of directors. Subject as aforesaid, the nominee director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other director of the Company.
- (c) The nominee director/s so appointed shall hold the said office only so long as any moneys remain owing by the company to the Corporation or as a result of underwriting or direct subscription and the nominee

director/s so appointed in exercise of the said power shall ipso-facto vacate such office immediately after the moneys owing by the company to the Corporation are paid off or the Corporation ceasing to hold shares in the Company.

- (d) The nominee director/s appointed under this Article shall be entitled to receive all notices of and attend all general meetings, board meetings and of the meetings of the committee of which the nominee director/s is/are member/s and also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (e) The Company shall pay to the nominee director/s sitting fees and expenses which the other directors of the Company are entitled to, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the company, the fees, commission, moneys and remuneration in relation to such nominee director/s shall accrue to the Corporation and the same shall accordingly be paid by company directly to the Corporation. Any expenses that may be incurred by the Corporation or such nominee director/s in connection with their appointment or directorship shall also be paid or reimbursed by the company to the Corporation or as the case may be to such nominee director/s. Provided that if any such nominee director/s is an officer of the Corporation the sitting fees, in relation to such nominee director/s shall also accrue to Corporation and the same shall accordingly be paid by the company directly to the Corporation. Provided also that in the event of the nominee director/s being appointed as whole time director/s such nominee directors shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time director, in the management of the affairs of the Company. Such nominee director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

97. Subject to the provisions of section 313 of the Act, the Board may appoint any person to act as an alternate director for a director during the latter's absence for a period of not less than three months from the State in which meetings of the Board 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 ipso facto vacate office if and/when the absent director returns to State in which meetings of the Board are ordinarily held or the absent Director vacates office as Director.

#### **ROTATION OF DIRECTORS**

98. Not less than two-thirds of the Directors shall be Directors whose office is liable to determination by retirement by rotation and at every Annual General Meeting of the Company one-third of such of the Directors for the

time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.

Subject to Section 284 (5) of the Act the Directors to retire by rotation under this Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

99. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.
100. Subject to any resolution for reducing the number of Director, if at any meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled up, the meeting shall stand adjourned till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting, the places of the retiring Directors are not filled up, the retiring Directors or such of them as have not had their places filled up shall (if willing to continue in office) be deemed to have been re-elected at the adjourned meeting.

#### **PROCEEDINGS OF DIRECTORS**

101. The Directors may meet, together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Notice in writing of every meeting of the Directors shall ordinarily be given by a Director or such other officer of the company duly authorized in this behalf to every Director for the time being in India, and at his usual address in India to every other Director.
102. The quorum for a meeting of the Directors shall be determined, from time to time, in accordance with the provisions of section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Directors, it shall be adjourned until such date and time as the Directors present shall appoint.
103. The Secretary may at any time, and upon request of any two Directors shall, summon a meeting of the Directors.
104. Subject to the provisions of Sections 316, 372(5) and 386 of the Act, question arising at any meeting shall be decided by a majority of votes, each director having one vote and in case of any equality of votes, the Chairman shall have a second or casting vote.
105. The Directors may elect a Chairman of their meeting and determine a period for which he is to hold office. Provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, the Directors present shall choose one of their members to be Chairman of such meeting.

106. A meeting of Directors for the time being 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 of the Company and the act for the time being vested in or exercisable by the Directors generally.
107. The Directors may, subject to compliance of the provisions of the Act, from time to time, delegate any of their powers to committee(s) consisting of such member or members of their body as they think fit, and may, from time to time, revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time be imposed on it by the Directors. The meeting and proceedings of any such Committee, if consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under this Articles.
108. All acts done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director shall be valid notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, Committee or person acting as aforesaid or that they or any of them were disqualified.
109. Except a resolution, which the Act, requires it specifically to be passed in a board meeting, a resolution may be passed by the Directors or Committee thereof by circulation in accordance with the provision of Section 289 of the Act.
110. Minutes of any meeting of Directors or of any Committee or of the Company if purporting to be signed by the Chairman of such meeting or by the Chairman of next succeeding meeting shall be receivable as prima facie evidence of the matters in such minutes.

### **POWERS OF DIRECTORS**

111. Subject to the provisions of the Act, the control of the Company shall be vested in the Directors who shall be entitled to exercise all such powers and to do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly required or directed to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents, from time to time, made by the Company in General Meeting , provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
112. Without prejudice to the general powers conferred by the preceding article the Directors may, from time to time, subject to the restrictions contained in the Act, delegate to managers, secretaries, officers, assistants and other employees or other persons (including any firm or body corporate) any of the powers authorized and discretions for the time being vested in the Directors.

113. The Directors may authorize any such delegate or attorney as aforesaid to sub delegate all or any of the powers, authorities and discretion for the time being vested in them.
114. All deeds, agreements and documents and all cheques, promissory notes, draft, hundies, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted or endorsed or otherwise executed, as the case may be by such persons (including any firm or body corporate) whether in the employment of the Company or not and in such manner as the Directors shall, from time to time, by resolution determine.
115. The Directors 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 bodies and agents and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of and instruments sealed therein shall be signed by such persons as the Directors shall, from time to time by writing under the common seal, appoint. The company may also exercise the powers of keeping Foreign Registers. Such regulations not being in consistent with the provisions of Sections 157 and 158 of the Act, the Board may, from time to time, make such provisions as it may think fit relating thereto and may comply with the requirement of any local law.
116. A Manager or secretary may be appointed by the Directors on such terms, at such remuneration and upon such conditions as they may think fit, and any Manager or Secretary appointed may be removed by the Directors. Directors may be appointed as Manager or Secretary, subject to Sections 314, 197A, 383A, 387, and 388 of the Act.
117. A provision of the Act or these regulations requiring or authorizing a thing to be done by a director, manager or secretary shall not be satisfied by its being done by the same person same person acting both as director and as, or in place of the manager or secretary.

#### **MANAGING DIRECTOR**

118. Subject to the provisions of Sections 197A, 296, 316 and 317 Schedule XIII of the Act, the board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of Company 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 place or their places.
119. Subject to the provisions of Section 255 of the Act, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, but he shall be counted for as curtaining the number of Directors to retire (Subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and

removal as the other Directors, and he shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director for any cause.

120. Subject to the provisions of Sections 198, 309, 310, 311 and Schedule XIII of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company.
121. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Sections 292 and 293 thereof, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the board as it 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 it think fit and the Board may confer such powers either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

#### **COMMENCEMENT OF BUSINESS**

122. The Company shall not at any time commence any business out of other objects of its Memorandum of Association unless the provision of Section 149 of the Act have been duly complied with by it.

#### **SEAL**

123. The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.
124. The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Act, for use in any territory, district or place outside India.
125. Every deed or other instrument to which the Seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by a Director or the Secretary or the Manager or any other person as may be authorized by the Board/ Committee of the Board may appoint for that purpose.

#### **DIVIDENDS**

126. Subject to Rights of members entitled to shares (if any) with preferential or special rights attached to them, the profits of the Company, from time to time determined to be distributed as dividend in respect of any year or other period shall be applied for payment of dividend on the shares in proportion

to the amount of capital paid up on the Shares. Provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared shall (unless the Board otherwise determines or the terms of issue otherwise provide, as the case may be), only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to participate in profits.

127. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 205 of the act, fix the time for payment.
128. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.
129. No dividend shall be payable except out of the profit of the company of the year or any other undistributed profits and no dividend shall carry interest as against the Company.
130. The declaration of the Directors as to the amount of the net profits in the audited annual accounts of the Company for any year shall be conclusive.
131. The Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
132. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists, subject to Section 205A of the Act.
133. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.
134. Subject to Section 205A of the Act, 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 the Article is entitled to transfer until such person shall duly become a member in respect thereof or shall transfer the same.
135. Any one of the several persons who are registered as joint holders of any share may give effectual receipts of all dividend payments on account of dividends in respect of such shares.
136. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled thereto or in the case of joint-holders to the registered address of the one whose name stands first on the Register in respect of the joint holding to such person and such address and 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 at par to the person or 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.

137. The payment of every cheque or warrant sent under provisions of the last preceding Article shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof, provided nevertheless that the Company shall not be responsible for the loss of any cheque, warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.
138. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank to be called "\_\_\_\_\_ Unpaid Dividend Account" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and protection Fund established under section 205C of the Act.

A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board.

139. No unclaimed dividend shall be forfeited by the Board unless before the claim becomes barred by law and the Company shall comply with the provisions of Section 205A of the Companies Act, 1956, rules made there under and other law in respect of such dividend.

### **BOOKS AND DOCUMENTS**

140. The Books of Account shall be kept at the registered office or at such other place as the Directors think fit, and shall be open to inspection by the Directors during business hours.
141. The Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations the accounts or books or documents of the Company or any them shall be open for inspection to members not being Directors, and no member (not being a Director) shall have any right of inspection to any books of account or documents of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting.
142. Balance Sheet and Profit and Loss Account will be audited once in a year by a qualified auditor for correctness as per provisions of the Act.

143. The first auditors of the company shall be appointed by the Board of Directors within one month after its incorporation who shall hold office till the conclusion of first annual general meeting.
144. The Directors may fill up any casual vacancy in the office of the auditors.
145. The remuneration of the auditors shall be fixed by the company in the annual general meeting except as otherwise decided or that remuneration of the first or any auditors appointed by the directors may be fixed by the directors.

### **NOTICES**

146. The Company shall comply with the provisions of Sections 53, 172 and 190 of the Act as to the serving of notices.
147. Every person who, by operation of law, or by transfer or by other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.
148. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company has notice of his demise, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such share,
149. The signature to any notice to be given by the Company may be written or printed.

### **RECONSTRUCTION**

150. On any sale of the undertaking of the Company, the Directors or the Liquidators on a winding up may if authorized by special resolution, accept fully paid or partly paid-up shares; debentures or securities of any other Company whether incorporated in India or not than existing to be formed for the purchase in whole or in part of the property of the company, and the Director (if the profit of the company permit), or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of Company amongst the members without realization, or vest the same in trustees for them, and any Special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any

such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under Section 494 of the Act as are incapable of being varied or excluded by these presents.

### **SECRECY**

151. Subject to the provisions of law of land and the Act, no member or other person (not being a Director) shall be entitled to enter upon the property of the company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors, or require discovery of any information respecting any detail of the Company's trading or any matter which is or may be in nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interest of the Company to communicate and disclose.

### **WINDING UP**

152. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
153. In the event of Company being wound up, whether voluntarily or otherwise the liquidators, may with the sanction of Special Resolution divide among the contributories, in specie or kind, any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidators, with like sanction shall think fit.

### **INDEMNITY**

154. Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company all bona fide costs, losses and expenses (including traveling expenses) which any such Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract

entered into or any way in the discharge of his or their duties and in particular, and so as not limit the generality of the foregoing provisions, against all liabilities incurred by him or by them as such Director, Manager, Secretary, Officer or employee in defending any proceeding whether civil or criminal in which judgment is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

155. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgment, omission, default, or oversight on his part, or any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

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S. No.	Name, description, address and occupation of each subscriber	Signature of subscriber	Signature, Name, description, address and occupation of witness or witnesses
1.	<p><b>Abhay Chand Bardia</b> S/o Late Dharm Chand R/o 20-B, Old Gupta Colony Delhi - 110 009 <i>Business</i></p>	Sd/-	<p>I witness all the subscribers</p> <p>Sd/- (Harish Khurana) S/o Sh. R. S. Khurana G-1/208, Sector 16, Rohini, Delhi Company Secretary FCS - 4835</p>
2.	<p><b>Ravi Prakash Bardia</b> S/o Late Dharm Chand R/o 20-B, Old Gupta Colony Delhi - 110 009 <i>Business</i></p>	Sd/-	

Place : Delhi

Date : 24-4-2006