

THE COMPANIES ACT, 1956
A COMPANY LIMITED BY SHARES
**ARTICLES OF ASSOCIATION OF
SOUTHERN ISPAT and ENERGY LIMITED**

1. Table 'A' not to apply but Company to be governed by these Articles.

No regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956 shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal for alteration of addition to its regulations by Special Resolution, as prescribed by the Companies Act, 1956 be such as are contained in these Articles.

INTERPRETATION

2. Interpretation Clause

In the interpretation of these Articles the following expression shall have the following meanings unless repugnant to the subject or context.

The Act

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

These Articles

"These Articles" means Articles of Association for the time being or as altered from time to time by Special Resolution.

Auditors

"Auditors" means and includes those persons appointed as such for the time being of the company.

Board of Directors

"Board of Directors" means the Board of Directors of the Company or the Directors of the Company collectively.

Capital

"Capital" means the Share capital for the time being raised or authorised to be raised for the purpose of the Company.

Chairman

"The Chairman" means the Chairman of the Board of Director for the time being of the Company.

Charge

"Charge" includes a mortgage.

The Company or this Company

"The Company" or "This Company" means SOUTHERN ISPAT & ENERGY LIMITED.

Debenture

"Debenture" includes Debenture stock, bonds and other securities of the Company whether constituting a charge on the assets of the Company or not.

Directors

"Director" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles.

Executor or Administrator

"Executor or Administrator" means a person who has obtained probate or letter of administration, as the case may be, from a court of competent jurisdiction and shall include holder of a succession certificate authorising the holder thereof to negotiate or transfer the share or shares of the deceased member and shall also include the holder of a certificate granted by the Administrator General under Section 131 of the Administrator General act, 1963.

Gender

Words imparting the masculine gender shall Gender include the feminine gender.

In writing and written

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

Legal Representative

"Legal Representative" means a person who in law represents the estate of a deceased Member.

Marginal Notes

The Marginal notes hereto shall not effect the construction thereof.

Members

"Members" means the duly registered holders, from time to time of the shares of the company and includes the subscribers to the memorandum of the Company.

Meeting or General Meeting

"Meeting" or "General Meeting" means meeting of the members.

Annual General Meeting

"Annual General Meeting" means a general meeting of the members held in accordance with the provisions of Section 166 of the Act.

Extra-ordinary general Meeting

"Extra-ordinary General Meeting" means an extra-ordinary general meeting of the members duly called and constituted and any adjourned holding thereof.

Month

"Month" means a calendar month.

Office

"Office" means the registered office for the time being of the company.

Ordinary Resolution

"Ordinary Resolution" shall have the meaning assigned to it by section 189 of the Act.

Paid-up

"Paid-up" includes credited as paid up.

Proxy

"Proxy" means an instrument whereby any person is authorised to attend a meeting and vote for a member at the general meeting on a poll.

The Register of Members

"The Register" of "Members" means the register of members to be kept pursuant to section 150 of the Act.

The Registrar

"The Registrar" means the Registrar of Companies, Kerala.

The Companies Regulations

"The Companies Regulations" means the regulations for the time being for the management of the company.

Seal

"Seal" means the common Seal for the time being of the Company.

Secretary

"Secretary" means any individual possessing the prescribed qualifications under the companies (Secretary's qualifications) Rules 1975 and appointed by the Board to perform the duties of a secretary.

Share

"Share" means share in the capital of the company and includes stock here a distinction between stock and shares is expressed or implied.

Special Resolution

"Special Resolution" shall have the meaning assigned thereto by Section 189 of the Act.

The Statutes

"The Statutes" means the companies Act, 1956 and every other Act for the time being in force effecting the company.

Year

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

Singular Number

Words imparting the singular number include where the context admits as requires the plural number and vice versa.

Expression in the Act to bear the same meaning in Articles.

Save as aforesaid any words and expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof for the time being in force.

CAPITAL

3. * The Authorised Share Capital of the company shall be Rs.160,00,00,000 (Rupees One Hundred Sixty Crores) divided in to 16,00,00,000 (Sixteen Crores) equity shares of Rs.10/- (Rupees Ten) each.

4. # Increase of Capital by the Company and how carried in to effect

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act.

5. New Capital same as existing Capital

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

6. Reduction Capital

The Company may (subject to the provisions of Section 78, 80 and 100 to 105 both inclusive, and other applicable provisions if any, of the Act) from time to time, by a special resolution reduce its share or any share premium account in any manner for the time being authorised by law and in particular pay off such capital on the footing that it may be called up again or otherwise.

- * (As approved by way of Special Resolution passed by the members at the Extra Ordinary general meeting held on Saturday, 11th December 2010)
- # Altered at the Extraordinary General Meeting held on 28th January 2010

7. Consolidation, division, sub-division and cancellation of shares.

Subject to the provisions of Section 94 of the Act of the company in general meeting may from time to time by an ordinary resolution alter the conditions of its Memorandum as follows:-

1. Consolidate and divide all or any of its shares capital into shares of larger amount than its existing shares;
2. Sub-divide its shares, or any of them into shares of smaller amount than fixed by the Memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced shares shall be the same as it was in the case of the shares from which the reduced share is derived.
3. 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. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.

Whenever the Company shall do any one or more of the things provided for in the foregoing sub-clause (a), (b) and (c) of the Company shall, within thirty days.

thereafter given notice thereof the Registrar as required by section 95 of the Act, Specifying, as the case may be, the shares consolidated, divided, sub-divided or cancelled.

7 (A). # Buy Back of Shares and Securities

The Board of Directors of the Company may if thought fit, buy back such of the Company's Shares or securities to such limit upon such terms and conditions and subject to the provisions of Section 77A, 77AA and 77B and other applicable provisions of the Companies Act and in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1999 as amended from time to time.

SHARES AND CERTIFICATES

8. Restriction on allotment and return of allotment

The Board of Directors shall observe the restriction as to allotment of shares to the public contained in Section 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided in Section 75 of the Act.

9. Shares at a discount.

1. Where it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of unissued share capital or out of increased share capital, than:

a. Such further shares shall be offered to the persons, who at the date of the offer are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid-up, on those shares at that date;

b. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty 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 persons concerned to renounce the share offered to them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right;

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d. After the expiry of the time specified in the aforesaid notice, or in 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 them of in such manner as they think most beneficial to the Company.

2. Notwithstanding any thing contained in the sub-clause (1) hereof, the further shares aforesaid may be offered to any person (whether of not those person include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever.

a. If a special resolution to that affect is passed by the Company in general meeting; or

b. Where no such special resolution is passed, if the vote 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 member who, being entitled so to do, 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 clause (1) hereof shall be deemed:

a. To extend the time within which the offer shall be accepted: or

b. To authorise 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 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 debentures issued or loans raised by the Company.

a. to convert such debentures or loans into shares in the Company; or

b. to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise),

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:

c. 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 the rules, if any, made by that Government in this behalf; and

d. in the case of debentures issued to or loans obtained from the 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 the raising of the loans.

10. Shares under control of Directors.

Subject to the provisions of these Articles and of the act, shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such person on such terms and conditions and at such times, as they think fit and with full power subject to the sanction of the Company in general meeting to give any person the option to call for or be allotted shares of the company either at a premium or all part or at a discount subject to the provisions of section 78 and 79 of the Act and such time and for such consideration as the Director think fit.

11. Application of premium received on shares

1. Where the Company issues shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these shares shall be transferred to an account, to be called "THE SHARE PREMIUM ACCOUNT" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in this article, apply as if the share premium account were paid up share capital of the Company.

2. The share premium account may, notwithstanding anything in clause (1) hereof be applied by the Company:

- a. in paying up unissued shares of the Company, to be issued to the members of the Company, as fully paid bonus shares :
- b. in writing of the preliminary expenses of the Company ;
- c. in writing of the expenses of or the commission paid or discount allowed, on any issue of shares or debentures of the company.

12. Power also to Company in General Meeting to issue shares.

In addition to and without derogating from the powers for that purpose conferred on the Board under Article 10 and 11 and the Company in general meeting may subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or any increased capital of the Company) be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (Subject to compliance with the provisions of section 78 and 79 of the Act) as such general meeting shall determine and with full power to give any person (whether a member or not) the options to call for or be allotted shares of any class of the Company either at a premium or at par or at a discount (subject to compliance with the provisions of Section 78 and 79 of the Act) such option being exercisable at such time and for such consideration as may be directed by such general meeting may take any other provisions whatsoever for the issue, allotment or disposal of any such shares.

13. The Company may issue if the discount shares in the Company of a class already issued and the following conditions are fulfilled, namely;

1. The issue of the shares at a discount is authorised by a resolution passed by the company in general meeting and sanctioned by the Company Law Board.
2. The resolution specifying the maximum rate of discount (not exceeding ten percent or such higher percentage as the Central Government may permit in any special case) at which the shares are to be issued; and
3. The Shares to be issued at a discount within one month after the date on which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.

14. Instalment on shares to be duly paid.

If by the conditions of any allotment of any shares the whole or any part of the amount of 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 and from time to time shall be registered holder of the shares or his legal representatives and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in the case of non-payment of interest and expenses forfeiture and the like and all the other relevant provisions of these Articles shall apply as if such instalments were a call duly made and notified as hereby provided.

15. The Board may issue shares as fully paid up

Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment of any property sold or transferred or for service rendered to the Company and any shares which may be so issued shall be deemed as fully paid up shares.

16. Acceptance of shares

Any application signed by or on behalf of any applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is therefore placed on the register shall for the purpose of these articles be member.

17. Deposit and call etc. to be debt payable

The money, if any, which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to the recoverable by the Company from the allottee thereof and shall be paid by him accordingly.

18. Liability of Members

Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay to the Company the portion of the Capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

19. Share Certificates

Every members or allottees of shares shall be entitled without payment to receive certificates in marketable lots of the same class registered in his name or if the Board so approves on payment of such fee or fees at the discretion of the Board or without payment of fees as the Board may from time to time determine to several certificates each for one or more shares of each class. Every share certificate shall specify the name of the person in whose favour it is issued, the share certificate number and distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued in conformity with the provisions of the Companies (issue of share certificates) rule 1960 in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases where letters of allotment have not been issued or of issue against letter of acceptance or of renunciation or in cases of issue of bonus share PROVIDED THAT if the, letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it think fit, as to evidence and indemnity. The certificates of title shall be issued under the Seal of the Company and shall be signed in conformity with provisions of the Companies (issues of share certificates) Rules, 1960 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank form to be used for issue of share certificates and maintenance of books and documents relating to issue of share certificates shall be completed and kept ready for delivery within two months after the application for the registration of the transfer of any such shares.

2. Any two or more joint allottees or holder of shares shall for the purposes of this article, be treated as a single member and the certificate of any share which may be the subject of joint ownership, may be delivered to the person whose name stands first in the Register of Members.

20. Renewal or Share Certificate

No certificate of any share of shares shall be issued either in exchange for those which are defaced, torn or old, decrepit, worn out, or where the pages on the reserve for recording transfer have been duly utilised the certificates in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are defaced torn or old decrepit or worn out or where the pages on the reverse for recording transfer have been duly utilised.

21. New certificates shall not be granted under the provisions of the foregoing articles except upon delivery of the worn out or defaced or used upon certificates for the purpose of cancellation, and upon proof of destruction or loss, and upon such terms as the Boards of Directors may think fit in the case of any certificate have been destroyed, lost or defaced beyond identification.

22. The first named or joint holders deemed sole holder

If any share stands in the name of two or more persons, the person first named in the Register shall, as regard receipt of dividends or bonus or service of notices and all or any other matter connected with the company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holder of a share shall severally as well as jointly be liable for the payment of all instalment and call due in respect of such shares and for all incidents thereof according to the Company's regulations.

23. Company no bound to recognise.

1. Except as ordered by a court of Competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any share, or unless otherwise provided in these articles any right in respect of a share other than an absolute right thereto, in the person from time to time registered as a holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint name of any two or more persons (but not exceeding 4) or the survivor or survivors of them.

2. Save as in the Act or in these Articles otherwise provided, the Company shall be entitled to treat the person, whose name appears first in the Register of Members as the 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 law required) be bound to recognise any benami, trust or equitable, contingent, future or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or limited notice thereof. The provisions of Section 153 of the Act shall apply.

3. Share may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor (except in case where they are fully paid) or in the name of a person of unsound mind or in the name of any firm or partnership.

24. Company not to buy its own shares

None of the funds of the Company shall except as provided by Section 77 of the Act be employed in the purchase of its own shares, unless the consequent reduction of capital is elected and sanctioned pursuant to Section 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provisions of security of or in connection with a purchase or subscription made or to be made by any person of or for any share in the Company or in its holding Company.

UNDERWRITING AND BROKERAGE

25. Commission

Subject to the provision of Section 76 of the Act, the Company may at any time pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company or his procuring or agreeing to procure subscriptions but so that the commission shall not exceed in the case of share five percent of the price at which the share are issued and in the case of debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly in one way and partly in one way and partly in the other.

26. Brokerage

The company may on any issue of shares or debentures pay such brokerage as may be lawful and reasonable.

27. Commission to be included in the Annual Return

Where the Company has paid any sum by way of commission in respect of any shares and debentures or allowed any sums by way of discount in respect of any shares and debentures such statement thereof shall be made in the Annual Return as required by part 1 of Schedule V to the Act.

INTEREST OUT OF CAPITAL

28. Interest out of capital

Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant which cannot be made profitable for lengthy period the Company may pay interest on such of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same Capital as part of the Cost of construction of the work or building or the plant.

DEBENTURES

29. Debentures with voting rights not to be issued.

1. The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally of in respect of particular classes of business

2. The Company shall have power to reissue redeemed debentures in certain in accordance with Section 121 of the Act.

3. Payments of certain debts out of asset subject of floating charge in priority to claims under the charge may be in accordance with provisions of Section 123 of the Act.

4. Certain charges referred to in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in that Section 125.

5. A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree for specific performance.

6. Unless conditions of issue thereof otherwise provide, the Company shall (subject to the provision of Section 113 of the Act) within three months after the allotment of its debentures or debenture stock, and within one month after the application for the registration of the transfer of any

such debentures or debenture stock have complete any have ready for delivery the certificate of all debenture-stock allotted or transferred.

7. The Company shall comply with the provisions of Section 118 of the Act as regard supply of copies of Debenture Trust Deed and inspection thereof.

8. The Company shall comply with the provisions of Section 124 to 145 of the Act as regard registration of charges.

CALLS

30. Directors may make calls

Subject to the provisions of Section 91 of the Act the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it think fit upon the members in respect of all moneys unpaid on the shares whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions.

31. Notice of Calls

Not less than fourteen days notice in Writing of any call shall be given by the Company specifying the time and place of payment, and the person and persons whom such call shall be paid.

32. Call to date from resolution

A call shall be deemed to have been made at the time when resolution authorising such call was passed at meeting of the Board of Directors and may :

Be made payable by the Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.

33. Directors may extend time

The Board of Directors may, from time to time at its discretion, extend

The time fixed for the payment of any call and may extend such time to all or any of the members the Board of Directors may deem fairly entitled to such extension as of right except as a matter of grace and favour.

34. Amount payable at a fixed time or by instalment to be treated as a call.

If by the term of issue of any share or otherwise any amount is made payable at the fixed time or by instalments at fixed time (whether on active of the nominal value of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls apply to such amount or instalment accordingly.

35. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof till the time of actual payment but the Directors may waive payment of such interest wholly or in part.

36. Evidence in action by Company against shareholders.

On the trial or hearing of any such action or suit brought by the Company against any member or his legal representatives for the recovery of any moneys claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member as the holder or as

one of the holders at or subsequent to the date at which the money sought to do recovered is alleged to have become due on the shares in respect of which the money is sought to be recovered that the resolution making the call is duly recorded in the minute book and that the notice of such call was duly given to the member or his legal representatives used in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, not that a quorum of Directors was present at the Board at which any call was made not that the meeting at which any call was made was duly convened or constituted not any other matter whatsoever but the proof of the matter aforesaid shall be conclusive evidence of the debt.

37. Payment in anticipation of calls may carry interest

The Board of Directors may, if think fit agree to and receive from any member willing to advance the same, all or and part of the amount due upon, the shares held by him beyond the sums actually called for and upon the money so paid up in advance or so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of its shares on account of which such advances or are made, the Board of Directors may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct, fourteen percent per annum as the member paying the sum in advance and the Board of Directors agree upon the Board of Directors may agree to repay at any time any amount so advanced or at any time repay the same upon giving to such members three months notice in writing. Money so paid in advance of the amount of call shall not confer a right to participate in profit or dividend.

No member paying any sum in advance shall be entitled to voting right in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

LIEN

38. Company to have lien of shares

The Company shall have the first and paramount lien upon all shares (other then fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares, PROVIDED THAT the Board of Directors may, at any time declare any Share to be wholly or in part exempt from the provisions of this article.

39. As to enforcing lien by sale

1. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made

a. unless a sum in respect of which the lien exists is presently payable; or

b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. To give & effect to any such sale, the Board may authorise a person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer.

2. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be effected by any irregularity or invalidity in the proceeding in reference to the sale.

40. Application of proceeds of sale

1. The net proceeds of any such sale shall be received by the company and applied in towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and

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

FORFEITURE OF SHARES

41. If money payable on shares not paid notice to be given.

If any member fails to pay the whole or any part of any call or any instalment of a call or before the day appointed for the payment of the same or any extension thereof, the Board of Directors may, at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

42. If money payable on share not paid notice to be given

For the purpose of the provisions of these Articles relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be call payable upon share on the day of Allotment.

43. Form of notice

The notice shall name a day (not being earlier than the expiry of fourteen days from the date of the service of the notice) and place or places on and at which such call or instalment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

44. In default of payment shares to be forfeited

If the requirement of any such notice as aforesaid are not complied with any share or shares in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect.

45. Notice of forfeiture to member

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 be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

46. Forfeited shares to be the property of the Company and may be sold etc.

Any share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Director shall think fit.

47. Member still liable to pay money owing at the time of forfeiture and interest

Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all call instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.

48. Effect of forfeiture

The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in and all claims and demands against the company in respect of the share and all other rights incidental thereto.

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

50. Declaration of forfeiture

1. A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the company, and that a share in the Company has been duly forfeited accordance with these Articles 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.

2. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

3. The person too whom such share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the share.

4. Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, instalments, interest and expenses owing to the Company prior to such purchase or allotment not shall be entitled (unless by express agreement) to any of the dividends interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.

5. Such purchaser or allottee not be bound to see to the application of the purchase money, if any, not shall his title to the share be affected by the irregularity or invalidity in the proceedings in reference in the forfeiture, sale re-allotment or other disposal of the share.

51. Provisions of these articles as to forfeiture to apply in case of non-payment of any sum.

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

52. Upon sale, re-allotment or other disposal under the provisions of these articles, the certificate or certificates originally issued in respect of the forfeited share shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

53. Surrender of Shares

The Directors may, subject to the provisions of these Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

54. No transfer to minor etc.

The Board shall not issue or register a transfer of any share to a minor (except in case where they are fully paid) or insolvent or person of unsound mind.

55. Form of transfer

The instrument of transfer of any share shall be in the prescribed form under the Companies Central Government General Rules & Form, 1956 and in accordance with the requirement of Section 108 of the Act.

56. Application for transfer

1. An application for registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.

2. Where the application is made by the transferor and relates to partly paid share, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

3. For the purposes of clause (2) above, notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course or post.

57. Execution of transfer

The instrument of transfer of any share shall be duly stamped and executed by or on behalf of both the transferor and the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of members in respect thereof.

58. Transfer by legal representatives

A transfer of share in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

59. Register of members etc when closed

The Board of Director shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated in close the Register of Members and/or the Register of Debenture Holder at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

60. Directors may refuse to register transfer

Subject to the provisions of Section 111 of the Act, and Section 22A of the Securities Contracts Regulations Act, 1956, or any statutory modification thereof for the time being in force, the

Director may at any time in their own absolute and uncontrolled discretion and without assigning any reasons or grounds decline to register or acknowledge any transfer of any share and in particular may so decline in any case in which the Company has a lien upon the shares desired to be transferred or any call or installment regarding any of them remain unpaid or unless the transferee is not approved by the Director and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of transfer shall be conclusive evidence of the approval of the Director of the transferee.

PROVIDED THAT registration of a transfer shall not be refinished on the ground of the transferor being either alone or jointly with any other persons indebted to the Company on any account whatsoever next where the Company has a lien on shares.

61. Notice of refusal to be given to Transferor and Transferee

If the Company refuses to register the transfer of any shares or transmission of any right therein, the Company shall, within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send one notice of refusal to the transferee and the transferor or to the person giving the intimation of the transmission, as the case may be, and thereupon the provisions, as the 111 of the Act and Section 22A of the Securities Contracts (regulation) Act, 1956, or any statutory modification or re-enactment thereof for the time being in force shall apply.

62. Death of one or more joint holders of shares

In case of the death of any one or more of the person named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only person recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him with any other person.

63. Titles of shares deceased member:

The executor or administrators of a deceased member or holders of a Succession Certificates or the legal representative in respect of the shares of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such members, and the Company shall not be bound to recognise such executor or administrators or holders of a Succession Certificates or the legal representatives unless such executors or administrators or legal representatives shall have first obtained probate or Letters of Administration or Succession Certificates as the case may be, from a duly constituted Court in the Union of India.

PROVIDED THAT in any case where the Board in its absolute discretion thinks fit, it may dispense with the production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Articles 65 register the name of any person who claims to be absolutely entitled in the shares standing in the name of a deceased member, as a member.

64. Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)

Subject to the provisions of Articles 63 any person, becoming entitled to any share (not being the shares held by any employee of the Company) in consequence of death, lunacy, bankruptcy or insolvency of any members or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board of Directors (which consent the Board of Directors shall not be under an obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Board

of Directors registered as a member in respect of such shares PROVIDED NEVERTHELES that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be free from any liability in respect of such shares, this clause is herein referred to as "THE TRANSMISSION CLAUSE".

65. Refusal of register nominee

Subject to the provision of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

66. Person entitled may receive dividend without being registered a member.

A person entitled to a share by transmission shall subject to the right of the Director to retain such dividends or moneys as is hereinafter provided be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of such shares.

67. No fees on transfer transmission

No fee shall be charged for registration of transfer, Probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or seminal other documents.

68. Transfer to be presented with evidence of title

Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board may, from time to time stipulate, and every registered instruments of transfer shall remain in the custody of the Company until destroyed by order of the Board.

69. The Company not liable for disregard of a notice prohibiting registration of a transfer

The Company shall incur no liability or responsibility whatever in consequence of its registering or 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 of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting 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 any notice which may be given to it of any equitable right, title 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 book of the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice and give effect thereto if the Board of Directors shall so think fit.

69-A. Transfer of Shares/Debentures in whatever lot should not be refused. However, there would be no objection to the company refusing to split a Share/Debenture Certificate into several scripts of very small denomination or to consider a proposal for transfer of Shares/Debentures comprised in a Share/Debenture Certificates to several parties involving such splitting. If on the face of such splitting/transfer appears to be unreasonable of without a genuine need or a marketable lot. Except as above, the Company should not refuse transfer of share/debenture in violation of the Stock Exchange listing requirements on the ground that the number of Shares/Debentures to be transferred is less than any specified number.

69-B. The Company agrees not to make any change:

- a. For registration to transfer of Shares and Debentures.
- b. For sub-division and/or consolidation of Share and/or debenture certificate and for sub-division of letters of allotments and splits, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market units or trading.
- c. For sub-division of renounceable letters of Right.
- d. For issue of new certificates in replacement of those, which are old, decrepit, worn out, or where the cages on reverse for recording transfer have been fully utilised.
- e. For registration of any Power of Attorney, Probate, Letters of Administration or similar other documents.

69-C. The Company agrees not to charges any fees exceeding those which may be agreed upon with the Stock Exchange.

- a. For issue of new certificates in replacement of those that are torn, defaced, lost or destroyed.
- b. For sub-division and consolidation of shares and debentures certificates and for sub-division of letters of allotment, split consolidation, renewal or pucca receipts into denominations other than those fixed for the market units of trading.

SHARE WARRANT

70. Power to issue Share warrant

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

71. Deposit of share warrant.

1. The bearer of a share 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, of attending and voting and exercising the other privileges of the member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share include in the deposited warrant.

2. Not more than one person shall be recognised as deposition of the share warrant.

3. The Company shall, on two days written notices, return the deposited share warrant to the depositor.

72. Privileges and disability of the holders of share warrant.

1. Subject as herein otherwise expressly 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

privileges of a member at a meeting of the Company, or be entitled to receive any notice 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 he 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.

73. Issue a new warrant or coupon.

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

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

74. Share may be converted into stock

The Company may by Ordinary Resolution

1. Convert any paid up share into stock, and
2. Reconvert any stock into paid up shares of any denomination

75. Transfer of stock

The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under which the shares from which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit.

76. Rights of stock holders

The holders of stock shall, according to the amount of stock held by them, have the same right 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 privileges or advantage (except participation in the dividends and profit 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 those privileges or advantages.

77. Regulations applicable to stock and share warrant

Such of the regulations of the company as are applicable to paid up shares shall apply to stock and the word "Share" and "Shareholder" in these regulations shall include "Stock and Stockholder" respectively.

BORROWING POWER

78. Power to Borrow

Subject to Section 292 and 293 (1) (d) of the Act, the Director may from time to time, to their discretion raise or borrow, or secure the repayment of any sum or sums of money for the purpose of the Company at such times and in such manner and upon such terms and conditions in all respects as they think fit and in particulars, by promissory note or by opening current accounts, or by receiving deposits and advances, with or without security, or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital, for the time being, or be mortgaging

or charging or pledging and lands, buildings, goods or other property and securities of the Company or by such other means as may seem expedient to them.

79. Such debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

80. Any such debentures, debentures stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawing, allotment of shares, attending the General Meeting of the Company, appointment of Directors and otherwise, Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

81. The directors shall cause proper register to be kept, in accordance with Act, of all mortgages and charges specifically affecting the property of the company; and shall duly comply with the requirements of the Act in regard to registration of mortgages and charges therein specified and otherwise.

82. If any uncalled capital of the company is included in or charge by any mortgages or other security the director may, by instrument under the company's seal authorize the person in whose favour such mortgage or security is executed or any other person in trust for him, to make calls on the members in respect of such uncalled capital and the provision hereinbefore contained in regard to calls shall, mutatis, mutandis, apply to made exercisable either conditionally, or unconditionally and either presently or contingently and either to exclusion of the Directors Powers or otherwise and shall be assignable if expressed so to do.

83. Where any uncalled capital of the company is charged all person taking subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.

84. 1. If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily, due from the Company, the Directors 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 Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

2. If the money borrowed by the Company in accordance with clauses 78 to 84 supra, have been guaranteed in their personal capacity by the Directors or any of them or by any other person, firm or body corporate, each such guarantor/s may be paid a commission not exceeding 1 (one) percent per annum of the maximum limits borrowals guaranteed by them.

MEETING OF MEMBERS

85. Annual General Meeting and the persons entitled to attend

1. The Company shall in each year hold, in addition to any other meeting, a general meeting as its Annual General meeting in accordance with the provision of Section 166 and 210 of the Act shall specify the meeting as such in the notice calling it, except in the case where the Register has given an extension of time for holding any Annual General Meeting of the Company and that of the next.

PROVIDED THAT if the Register shall have for special reason, extended the time within which any annual general meeting shall be held such annual general meeting may be held within the extended time.

2. Every Annual General Meeting shall be called for at any time during business hours, on a day that is not a public holiday and shall be held either at the registered office of the Company or

at some other place within the city or town or village in which the registered office of the Company is situated for the time being.

3. Every member of the Company shall be entitled to attend either a person or by the proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concern him as auditors.

86. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report and Audited Statement of account, Auditors Report (if not already incorporated in the Audited Statement of Accounts), the proxy register with proxies and the Register of Directors Shareholdings which latter Register shall remain open and accessible during the continuance of the meeting.

87. All General Meeting other than Annual General Meeting shall be called Extraordinary General Meeting.

88. 1. Subject to the provision of Section 188 of the Act, the Directors shall on the requisition in writing of such number of members as is hereinafter specified and (unless the Annual General Meeting otherwise resolves) at the expenses of the requisitionists:-

a. give the members of the Company entitled to receive a notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.

b. circulate to member entitled to have notice of any general meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

2. The number of members necessary for a requisition under clause (1) here of shall be:

a. such number of members as represent not less than one - twentieth of the total voting power of all the members having at the date of the requisition a right to vote on the resolution or business to which the requisition relates; or

b. not less than one hundred members having the right aforesaid and holding shares in the Company on which there has been paid up an aggregate sum of not less than rupees one lakh in all.

3. Notice of any such resolution shall be given, and any such statement shall be circulated, to members of the Company entitled to have notice of the meeting sent to them, by serving a copy of the resolution of statement on each member in any manner permitted by the Act for service of notice of the meeting, and notice of any such resolution shall be given to any other members of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served or notice of the general effect of the resolution be given, as the case may be, in the same time manner and so far as practicable at the same time as notice of the meeting and, where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable there after.

4. The Company shall not be bound under this article to give notice of any resolution or to circulate any statement unless:

1. a copy of the requisition signed by the requisition (or two or more copies which, between them, contain the signature of all the requisitionists) is deposited at the registered officer of the Company.

a. in the case of requisition requiring notice of a resolution, not less than six weeks before the meeting, and

b. in the case of any other requisition not less than two weeks before the meeting, and

2. There is deposited or rendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect there to.

PROVIDED THAT IF, after a copy of the requisition requiring has been deposited at the registered office of the Company, and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose there of.

5. The Company shall not be bound under this article to circulate any statement if, on the application either or Company or of any other person who claims to be aggrieved, the Court is satisfied that the right conferred by this Article are being abused to secure needless publicity for defamatory matter.

6. Notwithstanding anything in these Article contained, the business which may be dealt with at an Annual General Meeting shall include any resolution of which notice is given in accordance with this article and for the purpose of this clauses notice shall be deemed to have been so given notwithstanding the accidental omission in giving it to one more member.

89. Extraordinary General Meeting by Board and by requisition

1. The Directors may, whenever they think fit, convene an extraordinary general meeting and they shall on requisition of the members, as here in after provided, forthwith proceed to convene Extraordinary General Meeting of the Company.

When a Director or any two members may call an extraordinary general meeting.

2. If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Director prescribed by these Articles and the continuing Directors fails or neglect to increase the numbers of Director to that number or to convene a general meeting, any Director or any two or more members of the Company holding not less than one - tenth of the total paid up share capital of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

90. Contents if requisition and number of requisitionists required and the conduct of meeting.

In case of requisition the following provisions shall have effect:

1. The requisition shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and shall be deposited at the registered office of the Company.

2. The requisition may consist of several documents in like form, each signed by one or more requisitionists.

3. The number of members entitled to requisition a meeting in regard to any matter shall be each number as held at the date of the deposit of the requisition, not less than that one-tenth of such of the paid up share capital of the Company as at the date carries the right of voting in regarding to that matter.

4. Where two or more distinct matters are specified in the requisition, the provision of sub-clause (3) shall apply separately in regard to each such matter, and the requisition shall accordingly be valid in respect of those matters in regard to which the conditions specified in that clause is fulfilled.

5. If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to apply matter, proceed duly to call a meeting for the consideration of those matters on a day not latter than forty five days from the date of the deposit of the requisition, the meeting may be called :

a. by requisitionists themselves, or (b) by such of the requisitionists as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of the paid-up share capital of the Company as is referred to in sub-clause (3) whichever is less, Provided That for the purpose of this sub-clause the Board shall, in the case of a meeting at which a resolution, is to be proposed as a special resolution be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.

6. A meeting called under clause (5) by requisitionists or any of them :

a. shall be called in the same manner, as nearly as possible, as that in which meeting are to be called by the Board, but

b. shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in such-clause (b) shall be deemed to prevent a meeting duly commenced before the expiry of the period of three month aforesaid, from the adjourning to some day after the expiry of that period.

7. Where two or more persons hold any shares in the Company jointly, a requisition or a notice calling a meeting, signed by one or some only of them shall, for the purpose of this article, have the same force and effect as it if had been signed by all of them.

8. Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company, and any sum so unpaid shall be retrained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were their services to such of the Directors as were in default.

91. Contents and manner of service of notice

1. A general meeting of the company may be called by giving not less than twenty-one days notice in writing.

2. A general meeting may be called after giving shorter notice than that specified in sub-clause (1) hereof if consent is accorded thereto:

a. in the case of an annual general meeting by all the members entitled to vote there at; and

b. in the case of any other meeting, by members of the Company holding not less than ninety five percent of such part of the paid up share capital of the company as gives a right to vote at the meeting.

PROVIDED THAT where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this sub-clause in respect of the former resolution or resolutions and not in respect of the latter.

92. 1. Every notice of a General Meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted there at.

2. Subject to the provisions of the Act notice of every general meeting shall be given

a. to every member of the Company in the manner authorised by sub-clause 1 to 4 of section 53 of the Act.

b. to the persons entitled to a share is consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name, or by the title of representative of the deceased or assignee of the insolvent, or by, like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such as address had been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and

c. to the Auditors or Auditor for the time being of the Company, in any manner authorised by Section 53 of the Act in the case of any members of the Company.

PROVIDED THAT where the notice of the meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that section, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

3. Every notice convening a meeting of the company shall state with reasonable prominence that a member entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a member of the Company.

93. 1.a. In the case of an annual general meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to :

i. the consideration of the accounts; balance sheet and report of the Board of Directors and Auditors;

ii. the declaration of dividend;

iii. the appointment of Directors in the place of those retiring; and

iv. the appointment of and the fixing of the remuneration of the auditors and

b. in the case of any other meeting, all business shall be deemed special

2. Where any items of business to be transacted at the meeting of the Company are deemed to be special as aforesaid there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such items of business including in particular the nature of the concern or interest if any, therein of every Director.

PROVIDED THAT where any such item of special business at the meeting of the Company, relates to, or affects, another Company, the annexed the extent of shareholding interest in that other Company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up share capital of the company.

3. Where any item of business consists of the according of approval of any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

94. Omission to give notice to invalid proceedings

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

95. Notice of business to be given

No general meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.

96. Quorum

Five members entitled to vote and present in person shall be quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a member of the Company shall be deemed to be personally present if he is represented in accordance with Section 187 A of the Act.

97. If quorum not present when meeting to be dissolved and when to be adjourned.

If within half an hour from the time appointed for holding a meeting of the company, quorum is not present the meeting, if called by or upon the requisition of members, shall stand dissolved. In any other case the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday unit the next succeeding day which is not a public holiday, at the same time and place, or to such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the member present shall be a quorum and may transact the business for which the meeting was called.

98. Resolution passed at adjourned meeting

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

99. Chairman of general meeting

The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting or if there be not such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or shall decline to take the chair, the Vice-Chairman of the Board of Directors, if any, shall be entitled to take the Chair. If the Vice-Chairman is also not present at the time as aforesaid or is unwilling to take the chair, the Directors present shall elect one of them as the Chairman and if no Director be present or if the Directors present decline to take the Chair, then the members personally present shall elect one of the members to be the Chairman of the meeting. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provision of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of the poll shall be the Chairman for the rest of the meetings.

100. Business confined to election of Chairman whilst chair vacant

No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

101. Chairman may adjourn meeting

1. The Chairman may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and from place to place within the city, town or village in which the Registered Office of the Company is situated.

2. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

3. When a meeting is adjourned for thirty days or more notice of the adjournment meeting shall be given as in the case of an original meeting.

4. Save as aforesaid it shall not be necessary to give any notice an adjournment of the business to be transacted at any adjourned meeting.

102. How question to be decided at meetings

Every question submitted to a general meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.

103. Chairman's declaration of result of voting on show of hands

A declaration by the Chairman of the meeting that on a show of hands, resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.

104. Demand for poll

Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by the person or persons specified below, that is to say :

a. by a least five members having the right to vote on the resolution and present in person or by proxy, or

b. by any member or members present in person or by proxy and having not less that one-tenth of the total voting power in respect of the resolution, or

c. 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 aggregates 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.

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

105. Time of taking poll

A poll demanded on any question of adjourn-adjournment shall be taken forthwith. A poll demanded on any other question (not being a question relating to the election of a Chairman) shall be taken at such time when the demand was made and in such manner and at such place as the Chairman of the meeting may direct and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

106. Chairman's casting vote

In the case of equality of votes the Chairman shall both on a show of hands and a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

107. Scrutineers at poll

Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.

108. Demand for poll not to prevent transaction of other business.

The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

109. Special notice

Where, by any provision contained in the Act or in these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it give its members notice of the resolution in the same manner as it has given notice of the meeting or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or any other mode allowed by these Articles, not less than seven days before the meeting.

VOTE OF MEMBERS

110. Member paying money in advance to be entitled to vote in respect thereof.

A member paying the whole or a part of the amount remaining unpaid on any shares held by him although no part of that amount has been called up, shall not be entitled by any voting rights in respect of the moneys so paid by him until the sum would but for such payment become presently payable.

111. Restriction on exercise of voting rights of members who have not paid

No members shall exercise any voting right in respect of any shares registered in this name on which any calls or other sums presently payable by him have not been paid, or in regard to which the company has exercised any right of lien.

112. Number of votes to which entitled

Subject to the provisions of Articles 112 every member of the Corporation, holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and no poll, when present in person (including a body corporate by a duly authorised representative) or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share in the paid-up equity share capital of the Company. A member is not prohibited for exercising his voting rights on the ground that he had not held his shares or interest in the Company for any specified period preceding the date on which the vote is taken.

113. Votes of members of unsound mind

A member of unsound mind or in respect of whom order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may own a poll vote by proxy.

114. Votes of joint members

If there be joint registered holder of any shares, any of such person may vote at any meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have right to speak at the meeting, and if more than one of such joint holders be present at any meeting either personally or by agent or by proxy, that an of the said persons so present who stands higher on that one of the said persons so present who stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holder shall be entitled to be present at any meeting, provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares.

Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these articles be deemed joint holders thereof.

115. Representation of body corporate

1. A body corporate (whether a company within meaning of the Act or not) may, if is member or creditor of the Company (including a holder of debentures), authorised such person as it thinks fit by a resolution of its Board of Directors or other Governing creditors of the Company or debenture holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represent as that body could exercise if it were an individual member, creditor or holder of debenture of the Company. The production of a copy of the resolution referred to above, certified by a Director or the secretary of such body corporate before the commencement of the meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives appointment and his right to vote thereat.

2. Where the president of India or the Governor of the State is a member of the Company, the President or, as the case may be, the Governor may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the president, or as the case may be, the Governor could exercise as a member of the Company.

116. Votes in respect of deceased or insolvent members

Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was a registered holder of such shares provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he purposes to vote, he shall satisfy the Directors of his right to transmission of such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

117. Voting in person by proxy

Subject to the provisions of these Articles, vote may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.

118. Rights of members to votes differently

On a poll taken at a meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not if the votes, use all his votes or case in the same way all the votes he uses.

119. Proxies

Any Member of the Company entitled to attend and vote a 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 PROVIDED ALWAYS that a proxy so appointed shall not have any right whatever to speak at the meeting. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies.

120. Proxy either for specified meeting or for a period

An instrument of proxy may appoint either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

121. No proxy to vote on a show of hands

No proxy shall be entitled to vote on a show of hands.

122. The instrument appointing a proxy and Power of Attorney or other authority (if any) under which it is signed or a notorially certified copy of that Power of Attorney or authority, shall be deposited at the registered office of the Company 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.

123. Form of proxy

Every instrument of proxy whether for a specified meeting otherwise shall, as nearly as circumstance will admit, be in any of the forms set out in Schedule IX of the Act, and signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate be under its seal or be signed by any officer or attorney duly authorised by it.

124. Validity of votes given by proxy notwithstanding revocation of authority.

A vote given in accordance with the terms of instruments of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which the proxy is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the office before the commencement of the meeting, or adjourned meeting at which the proxy is used 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 of the same not having been revoked.

125. Time for objection to vote

No objection shall be made to the qualification of any vote or to the validity of a vote except at the meeting or adjourned meeting at which the vote adjourned to is given or tendered and every vote, whether given personally or by proxy, not disallowed at such meeting shall be valid for all purpose. Any such objection made in due time shall be referred to the Chairman of the meeting.

126. Chairman of any meeting to be the judge of validity of any vote

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be sole judge of validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.

127. Custody of instrument

If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. Embracing other objects, copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

128. Unit otherwise decided by a general meeting of the Company and subject to the provision of section 252 of the Act the Number of Directors shall not be less than 3 and not more than 12

129. First Directors

The following are the first Directors of Company :

1. Vivek Agarwal
2. S.K. Pansari
3. Smt. Ansuya Devi Agarwal

130. The Directors may elect one of their body to the office of the Chairman of the Board of Directors and determine the period for which he is to hold office.

131. Limit of number of retiring Directors

Not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination to retirement by rotation; and their appointment shall, save as otherwise expressly provided in these presents by the Company in General Meeting.

132. Appointments of Alternate Director

The Board may appoint an alternate Director to act for a Director (hereinafter in this Articles called "the original Director" to act for him during his absence for a period of not less than three months from the State in which meetings of the Board are originally held. Every such alternate Director shall subject to his giving to the Company and address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the original Director. The Alternate Director is appointed under this Articles shall vacate office as and when the original Director returns to the State of Kerala if the term of office of original Director is determined before he returns to the state aforesaid any provision in the Act or in these Articles for automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not the Alternate Director.

133. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. 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.

134. Additional Directors

The Directors shall also have power at any time and from time to time to appoint any other person to be a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall hold his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting.

135. Nominee Director

Notwithstanding anything to 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 Insurance Corporation of India (ICICI), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Limited (NCL). The Original fire and General Insurance Corporation of India (OFGIC), The New India Assurance Company Limited (NIA), United Insurance Company Limited (UI) or a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or a State by themselves (each of the above is hereinafter in this Articles referred to as "the corporation") out of any loans/debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/shares in the company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholetime 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.

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 required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. The Company agrees that if the Board of Directors of the Company has constituted or purposes to constitute any management committee or other committee (s), it shall if so required by the Corporation include the Nominee Director as a member of such management committee or other committee or other committee/s 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.

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 so long as the Corporation holds or continues to hold office debentures/shares in the company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall vacate such office immediately on the monies owing by the Company to the Corporation are paid of or on Corporation ceasing to hold debenture/s shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all general meetings, board meetings and the meetings of the committee of which the Nominee Director/s is/are member/s as also the minutes of the such meetings. The Corporation shall also be entitled to receive all such notice and minutes.

The Nominee Director/s shall be entitled to the same sitting fees, commission, remuneration and expenses are as application to the other Directors of the Company. The Company shall pay the sitting fees and other expenses to the Nominee Director/s directly but the Commission, remuneration or other monies and fees to which the Nominee Directors is entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation.

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 the Corporation and the same shall accordingly paid by the company directly to the corporation.

Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with the 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 also that in the event of Nominee Director/s being appointed as the whole-time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole-time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

136. Debenture Directors

Any Trust Deed for securing debentures or debentures stock may, if so arranged provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture stock from time to time to remove any director so appointed. A Director appointed under the Article is herein referred to as a "Debenture Director" and the term "Debenture Director" means a Director for the time being in office under this Article. A debenture director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain such accillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the provisions herein contained.

137. Notwithstanding anything contained in these Articles, a Director may be appointed as a permanent Director and Chairman of the Company and he or any person so authorised by him in writing shall have the power to nominate any person or persons of his choice as Director/s of the Company. So however that the number of his nominee directors, including the Directors if any, appointed pursuant to whereof, shall not exceed one third of the total number of Directors holding Office for the time being. Such nominated Directors shall not be liable to retire by rotation, so however that the Permanent Director shall also have the power to remove such Directors nominated by him and to replace them as also to fill in any casual vacancy caused in the office of any such Director/s.

138. Qualification of Directors

A Director need not hold any qualification shares.

139. Rights of Directors.

Except as otherwise provided by these Articles all Directors of the Company shall have in all matters equal rights and privileges and be subject to equal obligation and duties in respect of the affairs of the Company.

140. Remuneration of Directors

1. Subject to the provisions of the Act, a Managing Director or a Director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or as a specified percentage of the net profit of the Company or partly by one way and partly by the other.

2. Subject to the provision of the Act, a Director, who is neither in the whole-time employment not a managing Director may be paid remuneration either.

i) by way of monthly, quarterly or annual payment with the approval of the Central Government, or

ii) by way of commission if the Company by a Special resolution has authorised payment.

3. The fee payable to a Director (other than a Managing or whole-time Director, if any) for attending each meeting the Board of Committee thereof shall be Rs. 750/- or such other sum as may be prescribed under the Companies Act read with the relevant Rules there of from time to time.

141. Extra remuneration to Directors for special work

Subject to the provisions of Section 198, 309, 310, 311 and 314 of the Act, if any Director being willing, shall be called upon to perform extra service (which expression shall include work done by a Director as a member of any committee formed by the Director or in relations to signing Share Certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company the company shall remunerate the Director so doing either by a fixed sum or other wise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided.

142. Travelling expenses incurred by Directors on Company's business

The Board of Directors may, subject to the limitations provided by the Act, allow and pay to any Director who attend a meeting of the Board of Directors or any Committee thereof or a general meeting of the Company or travels in connection with the business of the Company at a place other than his usual place of residence such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

143. Director may act notwithstanding vacancy

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

144. Board resolution necessary for certain contracts

1. Except with the consent of the Board of Directors of the Company, a Director of the Company, or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company.

- a. for the sale, purchase or supply of goods, material or services; or
 - b. for underwriting the subscription of any shares in or debentures of the Company
2. Nothing contained in clause of sub-clause (1) shall affect :

a. the purpose of goods and material from the Company, or the sale of goods and materials to the Company, by any Director's relative, firm partner or private Company as aforesaid for cash at prevailing market price; or

- b. for underwriting the subscription of any shares in or debentures of the Company
2. Nothing contained in clause a of sub-clause (1) shall affect :

a. the purpose of goods and material from the Company, or the sale of goods and materials to the Company, by any Director relative, firm partner or private Company as aforesaid for cash at prevailing market price; or

b. any contract or contracts between the Company on one side and any such Director, relative, firm partner or private Company on the other for sale, purchase or supply of any goods material and service in which either the Company or the Director, relative, firm, partner or private Company as the case may be regularly trades or does business, PROVIDED THAT such contract or

contracts do not relate to goods and materials the value of which or services the cost of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

3. Notwithstanding anything contained in sub-clause (1) and (2) hereof, a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such service exceeds rupees five thousand in the aggregate in any year comprised in the period of the Contract, but or cost of such service exceeds rupees five thousand in the aggregate in any year comprised in the period of the Contract, but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contracts was entered into.

4. Every consent of the Board required under sub-clause (1) of this Articles shall be accorded by a resolution passed at a meeting of the Board and the same shall not be deemed to have been given within it was entered into.

145. The provisions of section 302 of the Act shall be complied with when the Company :-

1. enters into a contract for the appointment of a Managing Director or whole-time Director in which contract any Director of the Company is in any way whether directly concerned or interested; or

146. Disqualification of Directors

A person shall not be capable of being appointed Director of the Company, if :

1. he has been found to be of unsound minds by a Court of competent jurisdiction and the finding is in force;

2. he is undischarged insolvent ;

3. he has applied to be adjudged an insolvent and his application is pending;

4. he has been convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months and the period of five years has not elapsed from the date of expiry of the sentence

5. he has not paid any call in respect of shares of the Company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call; or

6. an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section.

147. Vacation of office of Directors

1. The office of the Director shall become vacant if;

a. he is found to be unsound mind by a court of competent jurisdiction; or

b. he applied to be adjudicated or 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 of 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 a Notification in the Official Gazette remove the disqualification incurred by such failure; or

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

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

h. he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposes contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by 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 by an ordinary resolution of the Company before the expiry of his period of office in accordance with the provisions contained in Section 284 of the Act; or

k. if by notice in writing to the company, he resign his office; or

l. 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.

2. Notwithstanding anything contained in sub-clause (1) hereof the disqualification referred to in those clauses shall not take effect:-

a. for thirty days from the date of adjudication sentence or order;

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

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

3a. The Company may (subject to the provision of Section 284 and other applicable provisions of the Act and these articles) by ordinary resolution remove any Director (not being a Director appointed by the Central Government in pursuance of Section 408 of the Act) before the expiry of his period of office.

b. Special Notice as provided by these Articles and Section 190 of the Act shall be required of any resolution to remove a Director under this Articles or to appoint some other persons in place of a Director so removed at the meeting at which he is removed.

c. On receipt of notice of resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned, and the Director concerned, and the

Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

d. Where notice is given of a resolution to remove a Director under this Articles and the Directors concerned makes with respect thereto representations in writings to the Company (not exceeding a reasonable length) and request their notification to members of the Company, the Company shall unless the representations are received by it too late for its to do so - (a) in the notice of the resolution given to members of the company State the fact of the representation having been made, and (b) send a copy of the representation to every member of the Company to whom notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the meeting Provided that copies of the representation need not be sent or read out at the meeting if on the application either of the Company or of any other person whom claims to be aggrieved, the Court is satisfied that the right conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

e. A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 134 or Section 262 of the Act, be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided special notice of the intended appointment has been given under sub-clause (3) (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he has not been removed as aforesaid;

f. If the vacancy is not filled under clause (e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Articles 134 or Section 262 of the Act, and all the provisions of the Article and Section shall apply accordingly.

g. A Director who was removed from office under this Article shall not be reappointed as a Director by the Board of Directors.

h. Nothing contained in this Article shall be taken

i. as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as Director or

ii. as derogating from any power to remove a Director which may exist apart from this Article

148. Disclosure of interest by Director

1. Every Director of the Company who is in any way whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors in the manner proved in Section 299 (2) of the Act.

2. a. In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under Sub-clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement first taken into consideration, or if the Director was not, at the date of that meeting concerned or interested in the proposed contract arrangement, at the first meeting of the Board held after he be so concerned or interested;

b. In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

3. a. For the purpose of sub-clause (1) and (2) a general notice given to the Board by a Director, to the effect that he is a Director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice be entered into with that body corporate or firm shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made;

b. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further period of one financial year at a time by a fresh notice given in the last month of financial year in which it would otherwise expire:

c. No such general notice, and no renewal thereof, shall effect unless either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

d. Nothing in this Articles shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one or more of the Directors of the Company together holds or hold not more than two percent of the paid up share capital in the other company.

ROTATION & APPOINTMENT OF DIRECTORS

149. Directors may be Directors of Companies promoted by the Company

If a Director of the Company is a Director of any Company promoted by the Company or in which it may become interested as a vendor, shareholder, or otherwise such Director shall not be accountable for any benefits received as Director of shareholder of such company except in so far as Section 309 (6) or Section 314 of the Act may be applicable.

150. Rotation of Directors

Not less than two-third of the total number of Director shall (a) be person whose period of he office is liable to determination by retirement of directors by rotation and (b) save as otherwise expenses provided in these Articles by appointed by the Company in general meeting.

151. Retirement of Directors

Subject to the provisions of Section 256 of the Act and Articles 129, 130 to 133 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 nearest number to One-third shall retire from offices. Subject to the provisions of Articles 156 the Chairman, the Managing Director or whole-time Director, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these articles a "Retiring Director" means a Director retiring by rotation.

152. Ascertainment of Directors by retiring and filling of vacancies Eligibility for re-election

Subject to Section 256 of the Act, the Director to retire by rotation under Article 147 at every general meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

153. Company to fill vacancies

A retiring Director shall be eligible for re-election

154. Subject to Section 258, 259 and 284 of the Act, the company at the general meeting at which a Director retires in manner aforesaid may fill up vacancy by appointing the retiring Director or some other person thereto.

155. 1. If the place of retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.

2. If the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless;

a. at the meeting or the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost.

b. the retiring Director has, by a notice in writing, address to the Company or its Board of Directors expressed his willingness to be so reappointed;

c. he is not qualified or is disqualified for appointment;

d. a resolution, whether special or ordinary is required for his appointment or re-appointment by virtue of any provisions of the act, or

e. the provisions of sub-section (2) of Section 263 of the Act is applicable to the case

156. Company may increase or reduce the number of Directors

Subject to the provisions of Section 252, 255 and 259 of the Act the Company may be passed ordinary resolution, from time to time increase or reduce the number

157. Appointment of Directors to be voted individually

1. No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote given against it.

2. A resolution moved in contravention of sub-clause (1) hereof shall be void, whether or not objection so moved Provided that where a resolution so moved is passed no provisions for the automatic reappointment of the retiring Director in default of another appointment as hereinbefore provided shall apply.

For the purpose of this Article, a motion for approving a persons appointment or for nominating a person or appointment shall be treated as a motion for his appointment.

158. Notice of candidature for office of Director except in certain cases

1. No person, not being a Retiring Director, shall be eligible for election to the office of a Director at any general meeting unless he or some of the member intending to purposes him has, at least fourteen days before the meeting left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of a Director of the intention of such member to purpose him as a Director for that office, as the case may be.

2. The Company shall inform its members of the Candidature of the person for the office of Director or the intention of a members to purpose such person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting.

Provided that it shall not be necessary for the Company to serve individual upon the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspaper circulating in the place where the registered office of the Company is located, of which one is published in the English language to manage the affairs and other in the regional language of the place.

3. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidature for the office of a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.

4. A person other than:

a. a Director re-appointed after retirement by rotation or immediately or the expiry of his terms of office or

b. an additional or alter to Director, or a person filling a casual vacancy in the office of Director under Section 262 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

159. Disclosure by Directors of their holding of shares and debentures of the Company

Every Director and every person deemed to be Director of the Company by virtue of Sub-section 10 of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board, the person giving that notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board next after it is given.

MANAGING DIRECTOR OR WHOLE - TIME DIRECTOR

160. Board may appoint Managing Director(s) or whole-time Director (s)

Subject to the provisions of the Act and these Articles, the Directors shall have power to appoint from time to time one or more of their body to be Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit of Directors and may after qualifications and business of the Company and may from time to time (subject to the provisions of any control 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.

161. What provisions they will be subject to

Subject to the provisions of the Act and these Articles; the Managing Director or the whole-time Director shall not while he continues to hold that office be subject to retirement by rotation under Articles 148 but he shall be subject to the provisions of any contract between him and the company and he subject to the same provisions as to the registration and removal as the other Directors of the Company and he shall also fact and immediately cease to be a Managing Director or whole-time Director if he cease to hold the office of Director for any cause provided that if any time the number of Director (including Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Director for the time being, then such of the Managing Director on whole-time Directors or two or more of them as the Director may from time to time determine shall be liable to retirement by rotation in accordance with the Article 149 to the intent that the number of Director not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

162. Remuneration of Managing or Whole-time Director(s)

The remuneration of the Managing Director or Whole-time Director shall (subject to Section 198, 269, 309, 310, 311 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors from time to time and may by way of fixed salary and/or perquisites or commission on profits of the company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

163. Powers and duties of Managing & or Whole-time Director(s)

Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Directors or Whole-time Directors appointed under Articles 157 with Power to the Board to distribute such day to day management functions among such Directors in any manner as deemed fit by the Board and the subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Directors or whole-time Director or Whole-time Directors with such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and may subject to the provisions of the Act and these Articles confer such power either collaterally with or to the exclusion of or substitution for all or any of the powers of the Director in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

PROCEEDINGS OF THE BOARD OF DIRECTORS

164. Meeting of Directors

The Directors may meet together as a Board for the despatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 285 of the Act otherwise directs, shall so meet at least once in every year. The Director may adjourned and otherwise regulate these meetings as they think fit. The provisions of this articles shall be deemed to have been contravened merely by reason of this fact that the meeting of the Board which had been called in compliance with the terms of this article could not be held for want of a quorum.

165. Notice of Meeting

1. Notice of every meeting of the Board of Directors shall be given in writing to every directors for the time being in India, and his usual address in India to every other Directors. The notice shall specify the time and place of the meeting.

When meeting to be convened

2. A Director may at any time and the Secretary upon the request of a Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Directors for the time being in India and at his usual address in India to every other Director.

166. Quorum

1. Subject to Section 287 of Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contrained in that one-third being rounded off as one) or two Directors whichever is higher, PROVIDED that where at any time number of interested Directors at any meeting exceeds or is equal to two-third of the total strength, the number of the remaining Director 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.

2. For the purpose clause (1)

i. "Total Strength" means total strength of the Board of Directors of the Company as determined in pursuance of the Act, after deducting therefrom number of Directors, if any whose place may be vacant at the time; and

ii. "Interested Directors" means any Director whose presence cannot by reason of any provisions in the Act, count for the purpose of forming a quorum at a meeting of the Board, at the time of any discussion or vote on any matter.

167. Procedure when meeting adjourned for want of quorum

If a meeting of the Board could not be held for want of quorum, then, the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is public holiday, till the next succeeding day which is not a public holiday at the same time and place.

168. Chairman

The Director from among their members may elect a Chairman of the Board of Directors. If at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose one of their members to be the Chairman of such meeting.

169. Question at Board meeting how decided

Subject to provision of Section 316, 372 (5) and 386 of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote.

170. Powers of Board meeting

A Meeting of the Board 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 which by or under the Act or these Articles or the regulations for the time being of the Company are vested in or exercisable by the Board of Directors generally.

171. Directors may appoint committee

The Board of Directors may subject to the provisions of the Section 292 and other relevant provision of the Act and these Articles delegate any of the powers other than the power to make calls to issue debentures, such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the purpose or purposes, but every committee of the Board so formed shall in exercise of the power so delegated, conform to any regulations they may from time to time by imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect as if done by the Board.

172. Meeting of the Committee how to be governed

The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Director under the last proceeding Article.

173. Circular resolution

1. A resolution passed by circular without a Board or a Committee of the Board appointed under Articles 167 shall subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as the resolution duly passed at a meeting of the Directors or of a Committee duly called and held.

2. A resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, if the resolution, has been circulated in draft together with necessary paper, 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 do all other Directors or members of the Committee at their usual addresses in India and has been approved by such of the Directors or members of the committee as are then in India, or by a majority of such of them as are entitled to vote on the resolution.

174. Act of Board or committee valid notwithstanding defect in appointment

All acts, done at any meeting of the Board, by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting aforesaid, or that they

or any of them were disqualified or hand vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions of the Act or these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Directors PROVIDED that nothing in the Article shall be deemed to give validity to act done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWER OF THE BOARD

175. General power of Management vested in Director

The Business of the company shall be managed by the Directors who may exercise all such powers of the company and do all such acts and things as are not by the Act, or any other act or by the Memorandum or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to any regulation of these Articles, to the provisions of the Act, or and other Act and of such regulations being not in consistent with the aforesaid regulations, or provisions as may be prescribed 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. PROVIDED the Board of Director shall not, except with the consent of the Company in general meeting.

1. sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole substantially the whole of any such undertaking.

2. remit, or give for the repayment of, any debt due by a Director.

3. invest otherwise than in trust securities the amount of compensation received by the company in respect of the compulsory acquisition, of any such undertaking as is referred to in clause (1) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.

4. borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its fees reserves that is to say, reserves not set apart from any specific purpose, or

5. contribute to charitable and other funds not directly relating to the business of the company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

i. provided that in respect of the matter referred to in clause (4) and (5) such consent shall be obtained by a resolution of the company which shall specify the total amount upto which money may be borrowed by the Board of Directors under clause (4) or as the case may be total amount which may be contributed to charitable or other funds in any financial year under clauses (3).

ii. Provided further that the expression "temporary loans" in clause (4) above shall mean loans repayable on demand or within six month from the date of the loan such as short term, cash credit arrangements, the discounting of a seasonal character but does not include loans raised for the purpose of financial expenditure of a capital nature.

176. Certain powers to be executive by the Board only at meetings

Without derogating from the powers vested in the Board of Directors under these articles the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board:-

- a. the powers to make calls on share;
- b. the power to issue debentures;
- c. the power to borrow money otherwise than on debentures;
- d. the power to invest the funds of the company;
- e. the power to make loans;

Provided that the Board may by a resolution passed at a meeting delegate to any committee of Directors, Managing Directors or any other principal officer of the company, the powers specified in clause (c), (d) and (e) of this sub-clause to the extent specified below on such conditions as the Board may prescribed.

2. Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount, outstanding at any one time, upto which moneys may be borrowed by the delegate.

3. Every resolution delegating the power referred to in sub-clause (1) (d) shall specify the total amount upto which the funds of the company may be invested and the nature of investments which may be made by the delegate.

4. Every resolution delegating the power referred to in sub-clause (1) (e) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of the loans which may be made for each such purpose in individual cases.

177. Certain Powers of the Board

Without prejudice to the general powers conferred by Article 160 and so as not in way to limit or restrict those powers and without prejudice to the other powers conferred by these articles but subject to the restrictions contained in the last preceding Article. It is hereby declared that the Director shall have the following powers that is to say power :-

1. to pay and charge to the Capital Account of the Company any commission or interest, lawfully, payable there-out under the provisions of Section 76 and 208 of the Act.

2. subject to provisions of Section 292 and 297 and other applicable provisions of the act to purchase or otherwise acquire for the Company any property, right or privileges, which the company is authorised to acquire or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may be believe or may be advised to be reasonably satisfactory;

3. at their discretion and subject to the provisions of the Act 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, mortgages 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, mortgages, or other securities may be either specifically charges upon all or any part of the property of the Company and its uncalled capital or not so charged;

4. to secure the fulfillment of any contracts or engagements entered into by the company by mortgage or charge on all or any of the property of the company and its uncalled capital for the time being or in such manner as they may think fit;

5. to accept from any members so far as may be permissible by law, surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;

6. to appoint any person to accept and hold in trust for the company property belonging to the Company, or in which it is interested or for any other purposes, and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for remuneration of such trustee or trustees;

7. to institute, conduct, defend, compound or abandon any legal proceedings by or against the company or its officer, or otherwise concerning the affairs of the company, and also to compound and allow time for payment on satisfaction of any debt due, and of any claim or demand by or against the company and to refer any difference to arbitration and observe the terms of any awards made therein either according to Indian Law or according to foreign law and either in India or abroad and observe and perform or challenge award made therein;

8. to act on behalf of the company, in all matters relating to bankrupts and insolvents and winding up and liquidation of companies;

9. subject to the provisions of the Act, to execute in the name and on behalf of the Company and indemnities and guarantees as may be necessary and to make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company.

10. subject to the provision of Section 291, 292 (1), 295, 370, 372 and other applicable provisions of the Act and other Articles to invest and deal with any moneys of the company not immediately required for the purposes thereof, upon such security (not being the shares of his company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investment, save as provided in section 49 of the Act, all investment shall be made and held in the Company's own name;

11. to execute in the name and on behalf of the Company in favour of any Director or other person who may incur any personal liability whether as principal or surety, for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers provisions, covenants agreements as shall be agreed upon;

12. to open bank account and to determine from time to time who shall be entitled to sign, on the company's behalf, bills, notes, receipts, acceptances, endorsement, cheques, dividend warrant, release, contract and documents to give the necessary authority for such purpose;

13. to distribute by way of bonus amongst the staff of the company a share in the profits of the company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of working expenses of the Company.

14. to provide for the welfare of Directors or ex-Director or employees or ex-employees of the Company and the wives, widows, and families or the dependants or connection of such person by building or contribution to the building of houses, dwellings or shawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments, creating and from time to time subscribing or by contributing to provident funds and other associations, institutions, and by providing or subscribing or contributing towards places of instruction and recreation, hospitals, dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 293 (1) (c) of the act to subscribe or contribute or otherwise to assist or to guarantee moneys to charitable, benevolent, religious, scientific, national or other institution or objects which shall have any moral or other claims to support or aid by the Company either by reason of locality of operation or the public and general utility or otherwise.

15. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund or to insurance fund, or as a

reserve fund or sinking fund, or any special or other fund or funds or account or accounts to meet contingencies or to repay redeemable preference shares, debenture or debenture stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any part of the property of the company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than share of this Compound) as they may think fit, and from time to time deal with and very such investment and dispose of and supply and expend all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the General Reserve or Reserve Fund into such special funds as the Board may think fit; with full power to transfer the whole or any portion of a Reserve Fund or Division of a Reserve Fund to another Reserve Fund and/or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of redeemable preference shares, debenture or interest on the same with power however to the Board at their discretion to pay or allow interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rates as the Board may think proper.

16. to appoint and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and to fix their salaries or emoluments or remuneration and to require security in such instances and to such amounts as they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in specified locality in India or elsewhere in such manner as they think fit;

17. from time to time an any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Board or Manager or agencies and to fix their remunerations;

18. subject to Section 292 of Act, from time to time, and at any time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the board, other than their powers to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such local board or any of them fill up any vacancies therein and to act notwithstanding vacancies and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed and may annual or very any such delegation;

19. 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 or Attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorises by the Board the power to make loans and borrow moneys) and for such period and subject favour of the members or any of the members of any local board established as aforesaid or in favour of any company, or the shareholders, Directors, nominees or manager of any or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or delegated attorneys as aforesaid to sub-delegating all or any other powers, authorities and discretion for the time being vested in them.

20. Subject to Section 294, 297, 300 and other applicable provisions of the Act, for or in relation to any of matters aforesaid or otherwise for the purpose of the Company to enter into all such

negotiation and contract and 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;

21. From time to time to make, vary and repeal bye-law for the regulation of the business of the Company, its officer and servants;

22. To purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, properties, effect, assets, right, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorised to carry on in any part of India.

23. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such price or rent and subject to such terms and conditions as the Directors may think fit and in any such purchase lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonable satisfactory;

24. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery goods, stores, produce and other movable property of the Company, either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of an insurance effected in pursuance of this power;

25. To purchase or otherwise acquire to obtain licence for the use of, and to sell, exchange or grant licence for the use of any trade mark, patent, invention or technical knowhow.

26. To sell from time to time any articles, materials, machineries, plants, stores and other articles and things belonging to the Company as the Board may think proper and to manufacture, prepare and well sell waste and by-product.

27. From time to time extend the business and undertaking of the Company by adding to, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or the possession of the Company, or by erecting new or additional buildings, and to extend such sum of money for the purpose aforesaid or any of them as may be thought necessary or expedient;

28. To undertake on behalf of the Company any payment of all rents and the performance of the convenient, conditions and agreement contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the free-hold-simple of all or any of the lands of the company for the time being held under lease or for an estate less than free-hold estate;

29. To improve, manage, develop, exchange, lease sell, re-sell and re-purchase, dispose of, deal otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the company is interested;

30. To let sell or otherwise dispose of subject to the provisions of Section 293 of the Act, and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respect as they think fit and accept payment of satisfaction for the same in cash or otherwise as they think fit.

MINUTES

178. Minutes to be made

1. The Company shall cause minutes of all proceedings of every general meeting of all proceedings of every meeting of the Board of Directors and of every committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned entries thereof in books kept for that purpose with their pages consecutively numbered.

2. Each page of every such book shall be entitled or assigned and the last page of the record of proceedings of each meeting in such books shall be dated and signed.

a. in the case of minutes of proceedings of a meeting of the Board or of a Committee thereof, by the Chairman of the said meeting or the chairman of the said meeting or the chairman of the next succeeding meeting.

b. in the case of minutes of proceedings of a general meeting by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorised by the Board for the purpose

3. In no case the minutes of proceedings of a meeting shall be attached to any such books as aforesaid by pasting or otherwise

4. The minutes of each meeting shall contain a fair and correct summary of the proceeding thereof

5. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting

6. In the case of meeting of the Board of Directors or a committee of the Board the minutes shall also contain :-

a. the name of the Directors present at the meeting and

b. in the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution

7. Nothing contained in clause (1) to (6) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:-

a. is, or could reasonably be regarded as defamatory of any person;

b. is irrelevant or immaterial to the proceeding; or

c. is detrimental to the interest of the Company

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause

179. Minutes to be evidence of the proceedings

The minutes of proceedings of every general meeting of the Board of Directors and of every committee of the Board kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.

180. Presumptions

Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board or of a committee of Directors have been kept in accordance with the provisions of Section 193 of the Act then until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceeding thereat to have been duly taken place, and particular, all appointment of Directors or Liquidators made at the meeting shall be deemed to be valid.

THE SECRETARY

181. Secretary

The Directors may, from time to time appoint, and their discretion, remove any individual, (hereinafter called "The Secretary") to perform any functions, which by the Act and these Articles are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may, from time to time, be assigned to the Secretary by the Directors. The appointment of Secretary shall be made according to the provisions of the companies (Secretary's qualifications) Rules, 1975.

182. The seal its custody and use

1. The Board of Directors shall provide common seal or 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 Board shall provide or the safe custody of the seal, or the time being, under such regulations as the, Board may prescribe.

2. The seal shall not be fixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in presence of at least one Director and the Secretary or any other person duly authorised by the Board, both of whom shall sign every instrument to which the seal is affixed. Provide further that the certificates of share, debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, and their statutory modification for the time being in force.

Provided nevertheless, that any instrument bearing the seal of the Company and issued for valuable consideration shall be binding on the company notwithstanding any irregularity touching the authority by the Board to issue the same.

DIVIDEND WARRANTS

183. Division of profits

Subject to the rights of person if any entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividends are paid, but if and so long as nothing is paid upon any of shares in the Company, dividends may be declared and paid according to the amounts of the shares.

2. No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this regulation as paid on the share.

184. The Company in general meeting may declare dividends

The company in general meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare smaller dividend in general meeting.

185. Dividend out of profit only

No dividends shall be payable except out of profits of the company arrived at in the manner provided for in Section 20 of the Act.

186. Interim dividend

The Board of Directors may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

187. Debts may be deducted

The Director may retain and dividend on which the company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagement in respect of which the lien exists.

188. Capital paid-up in advance at interest not to earn dividend

Where the capital is paid advance of the 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.

189. Dividends in proportion to amount paid up

All dividends shall be declared and paid proportionately to the amount paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid but if any shares is issued on terms, providing that it shall rank for dividends as from a particular date share shall rank for dividend accordingly.

190. No number to receive dividend whilst in debted to the company and the company's right of reimbursement thereof

No member shall be entitled to receive payments of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however either alone jointly with any other person or persons) and the Board of Directors may deduct from interest or dividend to any members all such sums of money so due from him to the company.

191. Effect of transfer of shares

A Transfer of shares shall not pass the right to any dividends declared there in before the registration of the transfer.

192. Dividend to joint holders

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends bonus and payment on account of dividends in respect of such share

193. Dividend how remitted

The Dividend payable in cash may be paid by Cheque or warrant sent through post direct to registered address of the share-holder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holder which is first named on the register of member or to such person and to such address as the member in writing direct. The Company shall not be liable or responsible for any Cheque or warrant or pay slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by endorsement of any cheque or warrant

or forged signature or any payslip or receipt or the fraudulent recovery of the dividend by any other means.

194. Notice of dividend

Notice of the Declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided

195. Reserves

The Directors may, before recommending or declaring any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall at the discretion of the Directors be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit.

196. Dividends to be paid within forty two days

The Company shall pay the dividends or send the warrant in respect thereof to the shareholder entitled to the payment of dividend, within forty-two days from the date of the declaration unless;

1. Where the dividend could not be paid by reason of the operation of any way;
2. Where a shareholder has given discretion regarding the payment of the dividends and those directions cannot be complied with;
3. Where there is dispute regarding the right to receive the dividend.
4. Where the dividend has been lawfully adjusted by the Company against any sum due to it from share holder, or
5. Where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default or on the part of the Company.

197. Unclaimed dividend

No unclaimed dividend shall be forfeited by the Board and the Director shall comply with provision of the Section 205 A of the Companies Act, 1956 as regard unclaimed dividends

198. No Interest on dividends

Subject to the provisions of Section 205A of the Companies Act, 1956 no dividend shall bear interest as against the Company

199. Dividend and call together

Any general meeting declaring a dividend may on the recommendations of the Directors make a call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the company and the members, be set off against the calls.

200. Dividends in cash

No dividend shall be payable except in cash provided that nothing in this Articles shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time unpaid on any shares held by members of the Company.

CAPITALISATION

201. Capitalisation

1. The Company in General Meeting may, upon the recommendation of the Board, resolve;

a. that is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company reserve accounts or to the credit of the profit and loss account otherwise available for the distribution; and

b. that such sum be accordingly set free for distribution in the manner specified in clause

c. Amongst the members who would have been entitled thereto, if distributed by way of dividend in the same proportions

2. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in the 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 allocated and distributed, credit as fully paid up, to and amongst such members in the proportions aforesaid; or

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

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

Fractional Certificate

4. The Board shall give effect to the resolution passed by the Company in pursuance of this Article 202.

1. Whenever such a resolution as aforesaid shall have been passed, the Board shall;

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

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

2. The Board shall have full power

a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable in fraction; 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 of them respectively credited as fully paid up of any further shares to which they may be entitled upon such Capitalisation, are (as the case may require) for the payment by the Company on their behalf, by the application thereto their respective proportions of the profits resolved to be capitalised of the amounts remaining on their existing shares.

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

4. That for the purpose of giving effect to any resolution, under the preceding paragraph of this articles, the Directors may give such discretion as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

ACCOUNT

203. Books to be kept

1. The Company shall keep at its registered office books of account as would give a true and fair view of the state of affairs of the Company or its transaction with respect to; (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place

b. all sales and purchase of goods by the Company

c. the assets and liabilities of the Company; and

d. if so required by the Central Government, such particular relating to utilisation of materials or labour or to other items of cost as may be prescribed by that Government

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

2. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of sub-clause (1) if proper books of account relating to the transaction affected the Branch are kept at that office and proper summarised returns made upto date at interval of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub-clause (1)

3. The book of accounts and other books and paper shall be open to inspection by any Director during business hours.

204. Inspection by members

1. The directors shall from time to time determine whether and to what extent and at what times and place and under what conditions the book of accounts of the Company or any of them shall be open to the inspection of members not being Directors.

2. No members (not being a Directors) shall have any right of inspecting any books of account or documents of the Company except as followed by law or authorised by the Board.

205. Statements of accounts to be furnished to general meeting

The Board of Directors shall from time to time in accordance with Section 210, 211, 212, 216 and 217 of the Act cause to be prepared and laid before each annual general meeting a profit and loss

account for the financial year of the Company and a Balance Sheet made to as at the end of the financial year which shall be a date not preceding the day of the meeting by more than six months or such extended period as shall have been granted by the registrar under the provisions of the Act.

206. Right of members to copies of Balance Sheet and Auditors Report

Any members of holder of debenture of the Company whether he is or is not entitled to have copies of the Company's Balance Sheet sent to him shall, on demanded be entitled to be furnished without charge, an any person from whom the company has accepted a sum of money by way of deposit, shall on demand accompanied by the payment of a fee of one rupee, be entitled to be furnished, with a copy of the Balance Sheet of the Company and of every document required by law to be annexed or attached thereto including the profit and loss account and the auditor's report.

AUDIT

207. Accounts to be audited

Once at least in every year the account of the Company shall be examined, balance and audited and the correctness of the profit and loss account and balance sheet ascertained by one or more Auditor or Auditors.

208. Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 619 read section 224 and other applicable provisions of the Act.

209. Account when audited and approved to be conclusive except as errors discovered within 3 months

Every account when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall be corrected and thenceforth shall be conclusive.

DOCUMENTS AND NOTICES

210. To whom documents must be served or, given

Documents or notice of every meeting shall be served or given or to (a) every members, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 93 a statement of material facts referred to in article 94 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

211. Members bound by documents or notices served on or given to previous holder

Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom the derived his title to such share.

212. Service of document on company

A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered office of the Company by post under a certificate of posting or by Registered post or by leaving it at its registered office

213. Authentication of documents & Proceedings

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Managing Director or the Secretary or other authorised officer of the Company and need not be under the common seal of the Company

REGISTER AND DOCUMENTS

214. Register and documents to be maintained by the Company

The Company shall keep and maintain Register Books and documents required by the Act or these Articles, including the following :

1. Register of investment made by the Company but not held in its own name, as required by Section 49 (7) of Act.
2. Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to section 136 of the Act.
3. Register and index of members and Debenture holders as required by Section 150, 151 and 152 of the Act.
4. Foreign Register, if so thought fit, as required by Section 157 of the Act.
5. Register of contract, with Companies and firms in which Directors are interested as required by Section 301 of the Act.
6. Register of Directors, and Secretary etc as required by Section 303 of the Act.
7. Register as to holding by Director of shares and/or debenture in the Company as required by Section 307 of the Act.
8. Register of investment made by the Company in shares and debentures of the bodies corporate in the same group as required by Section 372 of the Act.
9. Copies of annual return prepared under section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act.
10. Register of loans, guarantees or securities given to other companies under the same management as required by section 370 of the Act.

215. Inspection of Register

The register mentioned in clause 6 and 9 of the foregoing article and the minutes of all proceedings of general meeting shall be open to inspection and the extracts may be taken therefrom and copies thereto may be required by any member of the company in the same manner to the same extent and on payment of the same fees as in case of the Register of members of the Company provided for in clause 3 thereof. Copies of entries in the register mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days during such business hours as may consistently with the provisions of the act in that behalf be determined by the Company.

WINDING UP

216. Distribution of Assets

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 to that, as nearly as may be, the losses shall be borne by the members in the 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, 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 holder of shares issued upon special terms and conditions.

217. Distribution in specie or kind

1. If the Company shall be wound up, whether voluntarily or otherwise the liquidator may, with the sanction of a special resolution, divide amongst 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 trust for the benefit of the contributories or any of them, as the liquidator, with the like sanction shall think fit.

2. If thought expedient any such division may subject to the provision of the Act be otherwise than in accordance with the legal rights of the contributions (except where rights of the unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case may division otherwise than in accordance with the legal rights of the contributories shall be determined upon any contributory who would be prejudicial thereby shall have a right to dissent and acciliary rights as if such determination were a special resolution passed pursuant to section 494 of the Act.

3. In case any shares to be divide involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and if pay him net proceeds and the Liquidator shall if practicable act accordingly.

218. Rights of share holders in case of sales

A special resolution sanctioning a sale to any other Company duly passed pursuant to section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidator be distribution against the member otherwise than accordance with their existing rights and any such determination shall be binding upto all the members subject to the rights of the descent and consequential rights conferred by the said sanction.

INDEMNITY

219. Directors and other rights to indemnity

Subject to the provisions of section 201 of the Act, every Director or officer, or employee of the Company or any person (whether an officer of the Company or not) employed by the Company out of the assets of the Company as auditors shall be indemnified by the company out of the assets of the company against all liabilities incurred by him as such Director, Officer or auditor and it shall be the duty of the Directors out of the funds of the Company to pay all cost, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or any act deed matter or thing (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default including expenses and in particulars and so as not limit the generality of the foregoing provisions against all liabilities incurred by him as such directors, officer or auditor or other officer of the company in defending any proceedings whether civil or criminal in which judgment is given in his factor, or in which he is acquitted or in connection with any application under section 633 of the Act in which relief is granted to him by the court.

220. Director officer not responsible for acts of other

Subject to the provisions of Section 201 of the Act no Director, Auditors or other officer of the Company shall be liable for the acts, receipts, neglects or defaults or any other Director or officer or for joining in any receipts or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damages arising from the insolvency or tortuous act of any person, firm or company to or which whom any moneys securities of effects shall be entrusted or deposited or any loss occasioned by any error of judgement, omission, default or oversight on his part of for any other loss damages or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

221. Secrecy Clause

Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Director, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transaction and affairs of the Company with the customers and the state of the accounts with individual and in matter 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 to do so by the Directors or by law or by the person to whom such matter relate and except so far as may be necessary in order to comply with any of provisions in these presents contained.

222. No member to enter the premises of the Company without permission

We the several person whose name description and address are subscribed herein below are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectfully agree to take the number of shares in the capital of the Company set opposite our respective name:-

Sl. No.	Name, Father's name address occupation and description of the subscriber	No. of Shares taken by the subscriber	Signature	Name of witness address occupation and description
1.	Amitabh Agarwal S/o Shri S.G. Agarwal Near Agarwal Bhavan Purani Basti Raipur (M.P) (Business)	10	Sd/- Amitabh Agarwal	Witness for subscribers Sl. No. (1 to 7) Sd/- Sunil Johri S/o Late Shri R.S. Johri Nathani Building Shastri Chowk Raipur Chartered Accountants
2.	Narayan Prasad Tekriwal S/o Late Nathmal Tekriwal Indrawati Colony Raipur (Business)	10	Sd/- Narayan Prasad Tekriwal	
3.	Krishna Kumar Agarwal S/o Late Shri Mangiram Agarwal A-1 Skylark Appartment Anna Nagar East, 3 rd Road, Madras (Business)	10	Sd/- Krishna Kumar Agarwal	
4.	Sushil Kumar Pansari S/o Late Sripal Pansari A-1 Skylark Appartment Anna Nagar East, 3 rd Road, Madras (Business)	10	Sd/- Sushil Kumar Pansari	
5.	Ansuya Devi Agarwal W/o K.K. Agarwal A-1 Skylark Appartment Anna Nagar East, 3 rd Road, Madras (Business)	10	Sd/- Ansuya Devi Agarwal	
6.	Sanjay Choudhari S/o Late Shri S.S. Choudhary C-122 Devendra Nagar, Raipur (Business)	10	Sd/- Sanjay Choudhari	
7.	Vivek Agarwal S/o Shri Hari Mohan Agarwal A-1 Skylark Appartment Anna Nagar East, 3 rd Road, Madras	10	Sd/- Vivek Agarwal	
		70 =====		