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**MEMORANDUM AND ARTICLES  
OF  
ASSOCIATION  
OF  
PG ELECTROPLAST LIMITED**

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भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

लिमिटेड कम्पनी के रूप में परिवर्तित होने के परिणामस्वरूप, कम्पनी के नाम में परिवर्तन का नया  
निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U32109DL2003PLC119416

मैसर्स PG ELECTROPLAST PRIVATE LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

PG ELECTROPLAST PRIVATE LIMITED

जो मूल रूप में दिनांक सत्रह मार्च दो हजार तीन को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स

PG ELECTROPLAST PRIVATE LIMITED

के रूप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम, 1956 की धारा 44 के साथ पठित धारा 31/21 की शर्तों के अनुसार विधिवत  
आवश्यक विनिश्चय दिनांक 15/07/2010 को पारित किया है, उक्त कम्पनी का नाम परिवर्तित होकर आज मैसर्स

PG ELECTROPLAST LIMITED

हो गया है तथा यह प्रमाण-पत्र उक्त अधिनियम की धारा 23(1) के अनुसरण में जारी किया जा रहा है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर से आज दिनांक छह अगस्त दो हजार दस को दिल्ली नगर में जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, National Capital Territory of Delhi and Haryana

Fresh Certificate of Incorporation Consequent upon Change of Name on  
Conversion to Public Limited Company

Corporate Identity Number : U32109DL2003PLC119416

In the matter of M/s PG ELECTROPLAST PRIVATE LIMITED

I hereby certify that PG ELECTROPLAST PRIVATE LIMITED which was originally incorporated on Seventeenth day of March Two Thousand Three under the Companies Act, 1956 (No. 1 of 1956) as PG ELECTROPLAST PRIVATE LIMITED having duly passed the necessary resolution on 15/07/2010 in terms of Section 31/ 21 read with Section 44 of the Companies Act, 1956; the name of the said company is this day changed to PG ELECTROPLAST LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this Sixth day of August Two Thousand Ten .



(KRUSHNA SHANKAR PRADHAN)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies

राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

PG ELECTROPLAST LIMITED

14/39SHAKTI NAGAR, NEW DELHI - 110007,

Delhi, INDIA



सत्यमेव जयते

प्रारूप एक

Form 1

निगमन का प्रमाण पत्र

## Certificate of Incorporation

सं० U32109DL2003PTC119416 1923-1924

No. U32109DL2003PTC119416 2002-2003

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज पीजी इलेक्ट्रोप्लास्ट प्राइवेट लिमिटेड

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है ।

I hereby certify that PG ELECTROPLAST PRIVATE LIMITED

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

मेरे हस्ताक्षर से आज ता० 26 फाल्गुन, 1924 को दिया गया ।

Given under my hand at NEW DELHI this SEVENTEENTH day of MARCH TWO THOUSAND AND THREE



Sd/-

( जी. के. गुप्ता )

सहायक कम्पनी रजिस्ट्रार

Asst. Registrar of Companies

रा. रा. क्षेत्र दिल्ली एवं हरियाणा

N.C.T. OF DELHI & HARYANA

**(THE COMPANIES ACT, 1956)**  
**(COMPANY LIMITED BY SHARES)**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**PG ELECTROPLAST LIMITED**

**I. The Name of the Company is PG ELECTROPLAST LIMITED.**

**II. The Registered Office of the Company will be situated in the National Capital Territory of Delhi.**

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

**(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:-**

1. To carry on the business of manufacturers, distributors, importers, exporters, buyers, sellers, agent and- stockiest of and to market, hirer, lease, rent out, assemble, alter, install, service, design, research and improve, develop, exchange, maintain, repair, refurbish, store and otherwise deal in any manner in all type of plastic moulded/extruded goods, all types of electrical and electronic goods, including television, video cassette display, digital video display, computer data processing applications both hardware & software, telephone exchanges, telephone instruments, fax machines, recording instruments and devices, electrical measuring and testing equipments, and any other system of telecommunication whether consisting of sounds, electrical pulses, visual images or otherwise, either alone or in combination, and whether electronic, electrical or mechanical or otherwise or any combination thereof and all systems apparatus, equipment, raw material, components, spare parts and fitting thereof and other related products and accessories thereto.
2. To carry on the business of manufacturing, distributors, importers & exporters, buyers, sellers, agents & stockists of and to market, hire, lease, rent out, assemble, alter, install, service, design, research & improve, develop, exchange, maintain, repair, refurbish, store and otherwise deal in any manner in all types of Light Emitting Diode (LED) / Compact Fluorescent Lamp (CFL) photovoltaic lighting systems including solar lantern, home lights and street lights, luminaries, and other solar powered products/projects, assemblies/sub-assemblies thereof, solar power plants, grid & off grid, solar photovoltaic water pumping systems, wind power generation systems, solar water heaters and all other present and upcoming Products related to new and renewable energy sources; domestic home appliances including all types of white goods, brown goods and office appliances, stabilizers, inverters, converters, uninterrupted power supplies, medical & surgical apparatus, computers & monitors

and display devices either alone or in combination and whether electronic, electrical & mechanical or otherwise or any combination thereof and all types of equipment, raw material, components, spare parts and fitting thereof and other related products and accessories thereto.

3. To deal in, purchase, sell, import, export, exchange barter, or supply and or to act as principal, dealers, traders, agents, sub-agents, representative of manufacturers either solely or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise for all kind of Indian/Foreign manufactured goods, intermediate products, commodities, raw materials, services in the foreign countries and vice-versa and to establish or maintain services, branch or branches, agent or agents, anywhere in the world in connection with the business of the company as referred to in the sub-clause 1 & 2 above.

**(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :-**

1. To enter into contracts and agreements with any other company, firm or person for supplying to the company articles or commodities used or sold by the company on such terms and conditions and for such period or periods as may be determined from time to time and to enter into any other further contracts for the purpose of carrying into effect any of the objects of the company herein stated.
2. To buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, receptacles, substances, materials, articles and things necessary or convenient for carrying on business or processes of the Company usually dealt in by persons engaged in the like business or process.
3. To pay out of funds of the company all expenses which the company may lawfully pay with respect to the promotion, formation and registration of the company.
4. To adopt all such means of making known or attracting attention to the business of the company as may be expedient and in particular by the publication of printed and other matters of all kinds and the grant of prizes premiums, rewards whether in connection with competitions of any kind or otherwise.
5. To purchase, construct, take on lease or in exchange, hire or otherwise acquire any immovable or movable property and any rights or privileges which the company may think necessary or convenient for the purpose of its business and in particular any land, building, basements, machinery, plant and stock in trade and either to retain any property to be acquired for the purpose of the company's business or to turn the same to account as may seem expedient.
6. To acquire and undertake the whole or any part of the business, property and liabilities of any person, firm or company carrying on or proposing to carry on any business

which the company is authorised to carry on or which can be carried on in conjunction, therewith or which is capable of being conducted so as directly or indirectly to benefit the company.

7. To enter into partnership or into any arrangement for sharing profits or losses or for any union of interest, joint venture, reciprocal concession or co-operation with any person or persons, company or companies carrying on or engaged in or about to carry on or engage in, any business or transaction which the company is authorised to carry on or engage in, or in any business or transaction capable of being conducted so as directly or indirectly to benefit this company.
8. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all States, Territories possession colonies and dependencies thereof and in any of all foreign countries for this purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient or expedient.
9. To pay for any property or rights purchased, taken on hire or otherwise acquired by the company either in cash or by fully or partly paid shares or by issue of securities or partly in one mode and partly in another and generally on such terms as may be determined.
10. To apply for, purchase or otherwise acquire and protect and renew in any part of the world, know-how, any patents, patent rights, brevet d'invention, trade marks, designs, licences, concessions and the like conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licences in respect of or otherwise, turn to account the property, rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
11. To sell, hire, lease, let out, charter, pledge, mortgage, exchange or grant licences easements and other rights over and in any other manner dispose of or turn to account the undertakings, properties (movable or immovable) assets, rights, grants, degrees, interests, licences, concessions, powers, privileges, actionable claims and effects of the company or any party thereof in such manner and for such considerations as the company may think fit, and in particular for shares (fully or partly paid up) debentures stock or securities of any other company, whether promoted by this company, or not but having objects similar to those of the company and in improve, develop, manage or otherwise deal with all or any part of the aforesaid properties and rights of the company.
12. To appoint stockists, distributors for sale of all or any of the items manufactured or

marketed by the company.

13. To appoint trustee whether a person, firm or company, to hold securities on Company's behalf and to protect the interests of the company, its members, debenture holders and customers.
14. To draw, make, give, accept, endorse, transfer, assign, discharge, negotiate and issue (as the case may be) bills of exchange, promissory notes, coupons, warrants, fixed deposit receipts, cheques, drafts, hundies, letters of credit, Government and other notes, acceptances, obligations railway, receipts and other negotiable instruments and securities whether transferable, negotiable or not, in connection with the business of the company.
15. To issue shares in and debentures of the company at par, premium or at discount.
16. To guarantee the payment of money secured or unsecured by the company or payable in respect of promissory notes, bonds, debenture stocks, contracts, agreements, mortgages, charges, obligations and instruments.
17. To lend and advance money or give credit to such person, firms or companies on such terms as may seem expedient and in particular to customers of and others having dealings with the Company to guarantee the performance of any contract or obligation and the payment of money of or any such persons, firms or companies.
18. To take or otherwise acquire and hold shares in any other Company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly, to benefit the Company.
19. To invest moneys of the Company not immediately required in such manner as may from time to time be determined for implements the main object.
20. Subject to Section 58A of the Companies Act to receive money on deposits for the business of the company, raise or borrow or provide for or secure the payment of borrowing by the company or borrowings guaranteed by the company in such manners as the company may think expedient and in particular by mortgage or charge on all or any part of the property, its uncalled capital and stock-in-trade of the company or by issue of debentures or debenture stock secured by or charged upon all or any part of the company's property whether (present or future) including its uncalled capital and to purchase or pay for the same.
21. To amalgamate, enter into any partnership or partially amalgamate with or acquire interests in the business of any other company, person or firm carrying on or engaged in or about to carry on or engage in any business or transactions included in the objects of the Company, or enter into any arrangement for sharing profits or for co-operation or for mutual assistance, with any such person, firm or company or to acquire or carry

on any other business (whether manufacturing or otherwise) auxiliary to the business of the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debenture-stocks or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures. debenture-stock or securities so received.

22. To establish, promote or concur in establishing or promoting any company/ or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company, to place or guarantee the placing of, under write subscribe for or otherwise, acquire all or any part of the shares, debentures or other securities of any such other Company.
23. To donate or subscribe money for the national, charitable, benevolent or public purposes, institutions and funds of a public character or which have any moral or other claim to support or aid or to otherwise advance the interests of the company or its members, employees or customers and to promote such institutions and funds.
24. To open Banking Accounts with any Bank.
25. To distribute any of the companies property amongst the members in specie in the event to winding up.
26. To carry on any other business which may seem to the company capable of being conveniently carried on in connection with any business which the company is authorised to carry on or to enhance the value of or render profitable any of the company's properties or rights.
27. To do all such other things as are incidental to or as the company may think conducive to the attainment of the above objects or any of them.

**(C) OTHER OBJECTS :-**

1. To carry an all or any of the businesses of mechanical and electrical engineers and manufacturers and suppliers of implements and machinery, tool makers, smiths, steel and brass founders, metal workers, machinists, iron and steel workers, metallurgists, chemical manufacturers, distillers, electrical goods and accessories, engineers, gas suppliers, timber merchants and suppliers of agricultural implements, motor and automobile spare parts and sugar mill machinery, oil mill machinery, manufacturers of surgical instruments and to buy, sell, manufacture, repair, convert, let on hire and deal in minerals, metals, machinery, implements, rolling stocks, hardware and chemicals of all kinds.



2. To carry on the business of manufacturers, importers, exporters, hirers, repairers, cleaners, carriers and storers of and dealers in motor cars, omni buses, trucks, lorries, tractors, bulldozers, motor cycles, scooters, motor boats, motor launches, motor buses, motor lorries, motor vans and other conveyances of all descriptions whether propelled or assisted by petrol, spirit, steam, gas, electricity, animal, automatic or other powers or engines, chassis and bodies.
3. To carry on the business of brick makers, potters, chemists and druggists, cycle manufacturers, drapers, furnishers, manufacturers of machinery, electrical goods, appliances, tools and implements, soap, shoe, and leather makers. tobacconists, hoteliers and launderers, miners, surgical instrument makers, tea planters, miners, paviours, refreshment rooms and saw mill owners and business of stationers in all its branches.
4. To carry on the business of cold storage, refrigeration, cooling, dehydrating, preserving and canning of any production on Company's own account or as contractors for any government, municipal body or individual on such terms and conditions as the Directors may think fit.
5. To carry on the business as meal manufacturers, grain and seed merchants, oil merchants, cotton, ground nuts, mowra and castor merchants, cake and corn merchants, millers, flour merchants, bakers, biscuit makers and confectioners.
6. To carry on the business of exhibition of films, cinema owners, film distributors and studio owners.
7. To purchase or otherwise acquire any land, building or premises and to turn to account, develop, improve, alter, demolish or let out for the purpose of carrying on the business of hotel, restaurant, coffee, tavern, lodging, house-keepers and to carry on the business of wine, spirit and liquor merchants, importers, exporters and manufacturers of aerated, mineral and artificial waters and other drinks whether intoxicating or not and caterers public amusement or entertainment, proprietors of motor and other vehicles, garage proprietors, job masters. refreshment room keepers, farmers, dairy-men and ice merchants, victuallers, live and dead stock and colonial and foreign produce of all description, hair-dresses, perfumers, chemists, proprietors of clubs, baths, dressing room, museum, reading, writing and newspaper room, library, play grounds, indoor and outdoor game, sport, recreation, exhibition, entertainment of all kinds, agents for railway and shipping company and tourists.
8. To carry on the business of brewers distillers and other allied business.
9. To purchase, take on lease or otherwise acquire land, buildings, vineyard, gardens and other places for growing, keeping brewing, preparing and storing of land products, plants or other things as may be requisite for carrying on the said business.

10. To carry on, execute and conduct a general contracting business, to submit tenders and undertake to do all sorts of building, manufacturing, producing, farming, surveying, supplying, designing, enlarging, repairing, re-modelling, managing, administering, controlling and supervising business.
11. To manufacture, cotton, woollen and silk, artificial and synthetic fibre goods of all kinds and to carry on all or any of the following business :-  
  
Cotton, woollen and silk spinners and doublers, flex and jute spinners, wool combers, worsted spinners, linen manufactures, worsted stuff manufacturers, drapers, flex, hemp, jute, wool and silk merchants, bleachers and dyers and makers of vitriol, bleaching and dyeing materials, growers of mulberry or other trees and producers of any other articles or thing whether by cultivation or afforestation or by any other mechanical or chemical power or appliance for the purpose of obtaining silk, woollen, cotton or any other material to be converted into cloth.
12. To carry on the business as dealers in and purchasers of dairy farms and garden produce of all kinds and in particulars milk, cream, butter, ghee, cheese, poultry, eggs, fruits, vegetable oils, vegetable ghee; artificial ghee, spices, sausages, prawn, potted meat, table delicacies, loaves, bread and manures.
13. To carry on the business of constructions and furnishers of houses, shops, saloons, balls and other apartments and exhibition decorators and execute decorative work of all sorts.
14. To carry on all kinds of businesses of manufacturers, importers, exporters, assemblers and distributors of and dealers in radios, radiograms, gramophones, wireless apparatuses, domestic and commercial refrigerators, coolers, freezers of all kinds, humidifying, dehumidifying, ventilating and cooling plants, room coolers and airconditioning of all kinds, records, bare and rubber insulated wires, cables, flexible cords, fuse wires, copper, weld and aluminium wires, plastic and light material products, equipments and accessories of all kinds, cold storage, equipments and all articles and things used in manufacture, construction, erection, maintenance and working thereof in any way whatsoever. To repair the same and their machinery and apparatus and to manufacture and deal -in loud speakers, transformers, microphones; transmitters, amplifiers, receivers, public address; equipments and wireless equipment of all kinds and accessories of all kinds used in the manufacture, installation, erection, repairs, maintenance and working thereof or in connection therewith in any way whatsoever.
15. To carry on forward trading in commodities, securities and stocks and shares, metal, cotton, grain, seeds, oil or in any other commodities as permissible under law.
16. To buy, sell, import and deal in all kinds of food products, seeds, patents and licences

and all kinds of fertilizers, lime and stock-feeds.

17. To carry on the business of founders of ferrous and non-ferrous, sheet metal workers, mechanical, structural. engineers, to carry on the work of cast iron foundry for the manufacture of all types of pipe and pipe fittings, water reservoirs, drainage requisites including manhole frames and covers, gratings and ladders, cast iron sanitary appliances and fittings including flushing cisterns, bath tubes, wash basins, cast iron building requisites including railings, spiral stairs, ladders, ventilators, ornamental window frames, pillars, agricultural implements including choppers. ploughs, cast iron, railway castings including sleepers, fish plates, wheels and other fittings, house hold requisites and utensils including cooking pans, coal mining and engineering requisites including pinions, tube wheels, pump parts and other general and special castings and to execute any other particular orders received from local and other industrialists, dealers, general public or Government departments.
18. To carry on the work of running workshop to undertake and execute all types of mechanical and structural jobs of manufacturing, fabrication and erection of buildings and articles and to do various types of, sheet metal work including manufacturing and construction of storage tanks, buckets, drums and various types of containers.
19. To carry on the business of jewellers, bullion merchants, gold-smiths, silver-smiths, gem and stone merchants.
20. To deal in precious stones, diamonds, pearls, jewellery, watches, clock, chronometers, gold and silver plates, electro-plated cutlery, presents and gifts, coins, cups, medals, shields, curios, articles of vitreous, art and antiquities, dressing bags, hand bags and bronzes.
21. To acquire, improve, manage, work, develop and exercise all rights in respect of leases and mortgages and to sell, dispose of turn to account and otherwise deal with, property of all kinds and in particular, land, building, concession, patents, business concerns and undertakings.
22. To buy, sell and deal in chicken, chicken food, incubators, duck's turkey, geese and guinea fowls, partridges and other birds.
23. To manufacture sugar and allied products from beet root, sugarcane, gur, molasses and any other substance or produce or chemicals whatsoever.
24. To purchase, produce, grow, raise, preserve, purify, refine, import, export, prepare, sell and deal in sugar, sugar candy, sugarcane, gur, molasses syrups, alcohol and all other by-products and food products, fertilizers seeds, patents and licenses and things generally and to maintain refineries, foundries, workshops, distilleries and other works for the purpose of the Company.

25. To manufacture and deal in anatomical, orthopaedic appliances of all kinds.
26. To grow, raise, tend and cultivate tea, coffee, cinchona rubber and other produce and to carry on the business of tea planters in all its branches and to carry on and work the business of cultivators, wine owners and buyers of every kind of vegetable, mineral or other produce of the soil, to prepare, manufacture and render marketable any such produce and to sell, dispose of and deal in any such produce, either in its prepared, manufactured, or raw state and either by wholesale or retail.
27. To carry on the business of helicopter-spraying on farms, grovelands, cultivations, products and other allied business of eradication of diseases, virus and insecticides.
28. To carry on the business as travel agents, tourist and cargo carriers by road; air sea or by any other mode of transport and to carry on all allied businesses and activities pertaining to the travelling and tourist business.
29. To deal, supply, manufacture, import, export all kinds of cosmetics, perfumes and beauty aids.
30. To carry on the business of buying, selling, exporting, importing, manufacturing, constructing, devising and preparing all kinds of advertising novelties, materials, aids, complimentary gifts, devices, designs and any other media used for the purpose of audio-visual publicity and advertisement.
31. To carry on the business of advertising agents through news-papers, magazines, books, periodicals, directories, souvenirs, screens, walls, buses, railway carriages or through any other media of advertisement.
32. To deal in and manufacture chemicals and pharmaceutical goods.
33. To carry on the business of suppliers, manufacturers, dealers, importers, exporters and agents of and dealers in pulp, paper, hard-board, packing paper, packing materials, straw products and to establish paper mills.
34. To deal in and manufacture plastic goods, polyester goods and other artificial and synthetic materials and products.
35. To carry on the business of steel furniture, iron safes, rolling shutters, office equipments and other steel structural products.
36. To deal in glass manufacture, glass sheets, bottles, vacuum and other glass-ware goods and to establish bottling plants and ceramic factories.
37. To carry on the business of proprietors, lessee and managers of hotels, motels, restaurants, bars, refreshment places, cafes, snack bars, taverns, licenced victuallers, caterers and to manufacture, produce, prepare, buy, sell and deal in provisions and

refreshments of all kinds.

38. To undertake, transact and execute all kinds of agency business and to act as selling agents for any person, firm, company or corporation.
39. To carry on the business of tobacconists in all its branches and to sell, make up and manufacture tobacco cigars, cigarettes, snuff and such other articles sold by tobacconists.
40. To carry on the business of graphic printers, asterotypers, photographic printers, photolithographic and all types of printers in all its branches, stationers, lithographers, engravers, block makers, type founders, die printers, photographers, book sellers, books binders and manufactures of file folders, exercise books, account books, envelopes, cardboard boxes, containers, printing inks, playing cards, visiting cards, greeting cards, fancy and presentation articles.
41. To acquire or set up and run hospitals, clinics, nursing homes, maternity and family planning or its pathological laboratories and optician shops.
42. To carry on the business of purchase and sale of petrol and petroleum products, to act as dealers and distributors for petroleum companies, to run service stations for the repairs and servicing of automobiles and to manufacture or deal in fuel, oils, greases, motor parts and accessories of all kinds.
43. To manufacture, bottle, produce, process, prepare, improve, treat, buy, sell, export, import, distribute and deal in all kinds of fruits, fruit juices, fruit pulp, syrups, squashes and such other fruit products of all types.
44. To carry on business of canners and preservers, growers, importers, exporters and dealers of fruits, vegetables, herbs, medicines, flowers, drinks, fluids, gas and other fresh and preferable products and erect by-products and derivatives, whether edibles, pharmaceuticals, medicinal or to any other kind of nature whatsoever and food preparations of every in and description and generally to carry on the manufacture of and trading in jams, jellies, pickles, cider, chutney, marmalades, vinegars, sausages, ketchups, powder, drinks, gelatines, essences, ice creams, milk preparations, preserves, dehydrated, canned or converted fruits and vegetables and foods.
45. To carry on the business of manufacturers, buyers, sellers, dealers, importers and exporters in leather and leather goods of all types and more specifically saddlery items and other items whether finished or semi finished including leather garments, leather sinks, leather jackets, leather bags, polo equipment and polo and riding products, leather boots and other items used in sports.
46. To carry on the business as manufactures, processors, importers, exporters, buyers, sellers of and dealers in all kinds of Silicate, Sand, Stones, Soda Ash, Organic, Inorganic

and Petro Chemicals and all items and products in which any kind of Silicate, Chemicals and or Minerals are used and to manufacture, process, design, buy, sell, import, export or otherwise deal in such products their raw materials stores, packing materials and by-products.

47. To carry on business of electric gas and water supply in all its branches and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, pipes, accumulators, lamps and works and to generate, develop gas power at places for which licence may be obtained and to transmit, distribute and supply it throughout the area, to supply named therein and without prejudice to the generality of the above for the purpose of feeding the plants of the Company and generally to generate,-develop and accumulate power at any such places and to transmit, distribute and supply such power for the purpose of light, heat, motive power, telephonic, telegraphic, industrial or such other purposes.
48. Subject to requisite licencing laws of the country, to carry on the business of importers and wholesale and retail dealers of arms.
49. To carry on the business as manufacturers, founders, mechanical engineers, assemblers, importers, exporters, distributors, commission agents, brokers, wholesale and retail dealers in domestic, household and industrial equipments, lock stitching machines, sewing machines, knitting machines, typewriting machines, tool-makers of dies and castings, ball and roller bearings, and bushing makers, jigs, fixtures and pattern makers, electrical and electronics appliances make& and domestic appliance makers.
50. To acquire and deal in shares, stocks debentures, debenture stocks bonds and -other security.
51. To produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally deal in cement, portland cement, alumina cement asbestos cement, lime and limestone and by-products thereof, cement-pipes, sheets and other building materials, refractories, fire-bricks, bricks furnace lining bricks acidic basic, and neutral, insulating, boards, gypsum boards and wall boards.
52. To carry on the business as buyers, sellers, importers and exporters of handicrafts, presentation articles, decorative items, leather goods, wall hangings, jewellery and ornaments, brass and other metal wares, beads and stones, paper and paper products, cuttlery and crockery, clay products, travelling equipments, shoes, chappals, furniture, glass and glass wares, agriculture products, engineering products, chemicals, minerals, food stuffs, rubber products, electronic items, hair both human and artificial, wigs and wiglet, ivory, and ivory goods, wood and wood products, lamp and lamp shades, perfumes, cosmetics, toilets, dhoop and agarbatties, domestic appliances, kitchen wares, sports goods, machine tools and construction materials.

IV. The liability of the members is Limited.

V. The Authorised Share Capital of the Company is Rs. 35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 35,00,00,000 (Thirty Five Crores) Equity shares of Rs. 1/- (Rupee One each)."

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

Names, description, occupation and addresses of each subscribers	Number of and type of subscribed shares	Signature of subscribers	Name, addresses, description, occupation and signature of witness of witnesses
PROMOD GUPTA  S/o Late Shri Lakhmi Chand Aggarwal, B-11, Mahendru Enclave, (Opp.Gujranwala Town), Delhi - 110033.	5000  (Five Thousand)	Sd/-	<p>I witness the signatures of all the subscribers.</p> <p>Sd/-</p> <p>KRISHNAVATAR KHANDELWAL</p> <p>S/o Shri Kanhaiya Lal Khandelwal</p> <p>8-B, Pocket-B, Mayur Vihar Phase-2, Delhi- 110091</p> <p>Chartered Accountant</p> <p>M.No. 70947</p>
SUDESH GUPTA  W/o Shri Promod Gupta, B-11, Mahendru Enclave, (Opp.Gujranwala Town), Delhi - 110033.	2500  (Two Thousand Five Hundred)	Sd/-	
ANURAG GUPTA  S/o Shri Promod Gupta, B-11, Mahendru Enclave, (Opp.Gujranwala Town), Delhi - 110033.	2500  (Two Thousand Five Hundred)	Sd/-	
<b>Total</b>	<b>10000</b>  <b>(Ten Thousand)</b>		

(THE COMPANIES ACT, 1956)  
(COMPANY LIMITED BY SHARES)  
**ARTICLES OF ASSOCIATION  
OF  
PG ELECTROPLAST LIMITED**

**INTERPRETATION**

**1. Interpretation clause:**

In these regulations unless the context otherwise require, the following terms shall bear the meaning as under:

**(i) "The Company" or "this Company"** means **PG Electroplast Limited**.

**(ii) "The Act"** means the "Companies act, 1956" and every statutory modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include references to sectors enacted in modification or replacement thereof.

**(iii) "These Regulations"** means these Articles of Association as originally framed or as altered, from time to time. The new set of Articles of Association was adopted by passing Special Resolution at the Extraordinary General Meeting of the Members of the Company held on 15<sup>th</sup> July, 2010.

**(iv) "Auditors"** means and includes those persons appointed as such for the time being by the Company.

**(v) "Beneficial Owner"** means a person whose name is recorded as such with a depository or the Company.

**(vi) "Board"** means the "Board of Directors" from time to time.

**(vii) "Capital"** means the share Capital for the time being raised or authorised to be raised (authorised, issued, subscribed, called up, paid up), for the purpose of the Company.

**(viii) "Depositories Act"** means the Depositories Act, 1996 (22, of 1996) including any statutory modification or re-enactment thereof for the time being in force.

**(ix) "Depository"** means a Company formed and registered under the Companies



Act, 1956 (1 of 1956) and which has been granted a certificate of registration under subsection (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) to act as a depository in India.

(x) **“Debenture”** includes Debenture Stock, bonds or any other securities of the Company, whether constituting a charge on the assets of the Company or not.

(xi) **“Directors”** mean the directors for the time being of the Company, or as the case may be, the directors assembled at a Board Meeting.

(xii) **“Dividend”** includes interim dividend.

(xiii) **“Member”** means the registered holder of Shares whose name is entered as such in the Register of Members and includes a beneficial owner of shares in the records of any depository of the Company.

(xiv) **“Meeting” or “General Meeting”** means a General Meeting of the members of the Company, whether an Annual General Meeting or an Extra-Ordinary General Meeting.

(xv) **“Month” and “Year”** means a calendar month and calendar year respectively.

(xvi) **“Office”** means the Registered office for the time being of the Company.

(xvii) **“Ordinary Resolution” and “Special Resolution”** shall have the meaning assigned thereto by Section 189 of the Act.

(xviii) **“Paid-up”** includes credited as paid-up.

(xix) **“Public Holiday”** means a public holiday within the meaning of the Negotiable Instruments Act, 1881; provided that no day declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.

(xx) **“Persons”** includes corporations, firms and legal entities as well as individuals.

(xxi) **“Record”** includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by the SEBI.

(xxii) **“Register of Members”** means the Register of Members to be kept in pursuant to the Act and the Register of Beneficiaries maintained by the Depository under the Depositories Act, 1996.

(xxiii) **“Registrar”** means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

(xxiv) "Seal" means the common seal of the Company.

(xxv) "Secretary" means any individual possessing the prescribed qualifications under the Companies (Secretary's Qualifications) Rules, 1975 appointed by the Board to perform the duties of a Secretary.

(xxvi) "SEBI" means the Securities and Exchange Board of India constituted and established under SEBI Act, 1992.

(xxvii) "Security" means such security as may be specified in Securities Contracts (Regulation) Act, 1956 by SEBI from time to time.

(xxviii) "Share" means share in the share Capital of the Company and include stock except where a distinction between stock and shares is expressed or implied.

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

**Other Rules of Interpretation:**

(a) Words importing the singular shall include plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate and all other persons recognized by law as such.

(b) Expressions referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.

(c) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications shall bear the same meaning as in the act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.

**2. Non-applicability of Regulations contained in Table A**

The Regulations contained in Table A in Schedule I to the Companies Act, 1956 shall not apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them.

**SHARE CAPITAL**

**3. Amount of Share Capital:**

The Authorised Share Capital of the company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Associations with power to increase or reduce the capital in accordance with the

Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital. Whether original or increased or decreased into several classes and attach there to respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law. The minimum paid up capital of the Company shall be Rs. 5,00,000/- (Rupees Five Lacs).

#### **4. Increase in the share capital of the Company**

The Company may by an ordinary resolution passed at a General Meeting increase the share capital by such sum to be divided into shares of such amount as the resolution may prescribe. The new shares shall be issued on such terms and conditions and with such rights and privileges annexed thereto, as the resolution may prescribe and direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued subject to articles, with a preferential or qualified right to dividends, and in the distribution of assets of the Company and with a right to vote at the General Meeting in conformity with Sections 87 and 88 of the Act. Unless otherwise stated, all new shares of the same class shall rank pari passu with existing shares of the same class. Whenever the Capital of the Company is increased under the provisions of this Article, the Board shall comply with the provisions of section 97 of the Act.

#### **5. New Capital same as existing Capital:**

Except so far as otherwise provided by the conditions of the issue or by these presents, any 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. Equity Share Capital with Differential Rights:**

- (a) Subject to the provisions of Section 86 of the Act and applicable rules, guidelines and regulations, the Company shall have the power to issue equity shares with differential right as to dividend, voting or otherwise.
- (b) To the extent that the Company is permitted by applicable law to issue non-voting shares or shares which have rights attached thereto different from the rights attached to equity shares or any other kind, class or type of shares, the Company may, if so authorised by the resolution of the members under section 81 (1A) of the Act, and other relevant provisions of the Act, issue such shares upon such terms and conditions and which such rights and privileges attached thereto as thought fit as may be permitted by applicable law.

#### **7. Redeemable Preference Shares:**

Subject to the provisions of Section 80 of the Act and applicable rules, guidelines and regulations, the Company shall have the power to issue Preference Shares which are, or at the option of the Company are to be liable, to be redeemed and the resolution authorising

such issue shall prescribe the manner, terms and conditions of redemption.

**8. Provisions to apply on issue of redeemable preference shares:**

On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof the following provisions shall take effect: -

- (a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) No such shares shall be redeemed unless they are fully paid;
- (c) The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Securities Premium Account before the shares are redeemed;
- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act, relating to the reduction of the share Capital of the Company shall, except as provided in section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share Capital of the Company.

**9. Power of the Company to buy its own shares:**

Subject to the provisions as laid down in Section 77A, 77AA and 77B and subject to such approvals as may be required under other applicable sections of the Act, if any, and other provisions, rules, guidelines, regulations and any amendment and modifications thereto, the Company shall have the power to purchase / buy back its own shares and / or other securities.

**10. Funds of the company not to be applied in purchase of shares of the Company**

None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by section 77 of the Act.

**11. Sub-division, consolidation and cancellation of shares:**

The Company may, by ordinary resolution in general meeting:

- (a) consolidate and divide all or any of its capital into shares of larger amounts than its existing shares.
- (b) sub-divide its shares or any of them, into shares of similar amounts than is fixed by

the Memorandum of Association, so however, than in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

- (c) cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

## **12. Issue of Sweat Equity Shares:**

Company shall subject to and in accordance with the provisions of section 79A of the Act, shall have the power, by a Special Resolution passed at a General Meeting to issue Sweat Equity Shares to the Directors, Employees of the Company.

## **13. Provision for issue of shares under Employees' Stock Option Scheme**

- (a) Subject to the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, subject to the passing of special resolution in general meeting and these Regulations, the Board may, from time to time, create, offer and issue to or for the benefit of the Company's employees including the Directors, Executive Chairman, Vice- Chairman, the Managing Directors and the Whole time Directors such number of equity shares of the Company, in one or more tranches on such terms as may be determined by the Board prior to the issue and offer, in consultation with the authorities concerned and in accordance with such guidelines or other provisions of law as may be prevalent at that time but ranking *pari passu* with the existing equity shares of the Company.
- (b) The issue price of such shares shall be determined by the Board in accordance with the laws prevalent at the time of the issue.
- (c) In the alternative to equity shares, mentioned hereinabove, the Board may also issue bonds, equity warrants or other securities as may be permitted in law, from time to time.

## **14. Reduction of Share Capital**

The Company may, from time to time, by special resolution and on compliance with the provisions of Section 100 to 105 of the Act, reduce its share capital and any capital reserve fund or share premium account.

## **15. Modification of Rights**

- (a) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act, modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a

special resolution passed at a separate meeting of the holders of the shares of that class.

- (b) Subject to the provisions of the Act, to every such separate meeting, the provisions of these regulations relating to meetings shall mutatis mutandis apply, but so that the necessary quorum shall be five persons at least holding or representing by proxy or one-third of the issued shares of the class in question.
- (c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

**16. Commission and Brokerage on shares:**

- (a) The company may exercise the powers of paying commission offered by Section 76 of the Act, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Section.
- (b) The rate of commission shall not exceed the rate of 5% ( five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2½%(two and a half percent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2½ (two and a half percent) of such price, as the case may be.
- (c) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
- (d) The Company may also, on any issue of shares, pay such brokerage as may be lawful.

**Interest out of Capital**

**17. Payment of Interest out of Capital**

The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provisions of any plant for the Company in accordance with the provisions of Section 208 of the Act.

**Shares and Certificates**

**18. Further issue of Capital:**

- (a) When at any time after the expiration of two years from the formation of the Company or at any time after the expiration of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed share capital of the Company by

the allotment of further shares, either out of the unissued capital or out of the increased share capital then:

- (i) 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 near as circumstances admit, to the capital paid up on those shares at that date;
  - (ii) such offer shall be made by a notice specifying the number of shares offered and limiting the time not being less than 15 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (iii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and notice referred to in clause (ii) above shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may, renounce the shares offered to him.
  - (iv) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner as they think fit most beneficial to the Company.
- (b) Notwithstanding anything contained in 16(a) above, the further shares aforesaid may be offered to any persons whether or not those persons include the persons referred to in clause (i) of Article 16 (a) in any manner whatsoever-
- (i) if a special resolution to that effect is passed by the Company in General Meeting, or
  - (ii) where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any of the Chairman) by members 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.
- (c) Nothing in clause (iii) of Article 16 (a) above shall be deemed-
- (i) to extend the time within which the offer should be accepted, or
  - (ii) 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 made has declined to take the shares comprised in the renunciation.

(d) 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 debentures issued or loans raised by the Company-

(i) to convert such debentures or loans into shares in the Company, or

(ii) to subscribe for shares in the Company.

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

I. either has been approved by the Central Government before the issue of debentures or the raising of the loans, or is in conformity with the rules, if any, made by that Government in this behalf; and

II. in the case of debentures or loans other than 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.

#### **19. Shares at the disposal of Directors:**

Subject to the provisions of these Articles and of the Act, the shares in the Capital of the Company for the time being shall be under the control of the Board of Directors, who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and at such time as they think fit and may issue and allot any shares in the capital of the Company on payment in full or part of any property sold and transferred or in consideration of the services rendered to the Company in the conduct of its business and the shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. The Directors shall have full power to give to any persons the option or right to call of or be allotted shares of the Company of any class, either at premium or at par or at a discount and for such time and for such consideration as the Board of Directors thinks fit (subject to the provisions of Section 78 and 79 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company by passing special resolution in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 75 of the Act.

#### **20. Power to offer Shares/options to acquire Shares:**

Without prejudice to the generality of the powers of the Board given under Article 17 or in any other Article of these Articles of Association;

(a) the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any



point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.

- (b) In addition to the powers of the Board under Article 18 (a), the Board may also allot the Shares referred to in Article 18 (a) to any trust, whose principal objects would *inter alia* include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 18 (a)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.
- (c) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 18 (a) and (b) above.

**21. Acceptance of Shares:**

Any application signed by or on behalf of an 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 on the register shall, for the purposes of the Articles, be a member.

**22. 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 inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

**23. Liability of Members:**

Every Member, or his heirs, executors or administrators shall 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 shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

**24. Register and Index of Members:**

The Company shall keep a Register of its members and debenture holders commencing from the date of registration of the Company and Index of its members and debenture holders and enter therein the particulars as prescribed in Section 150, 151 and 152 of the

Act and the Depositories Act, 1996 with the details of shares held in physical or dematerialised form in any media as permitted by applicable law including any form of electronic media. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or Country. The Register and Index of beneficial owners maintained by Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be the Register and Index of Members for the purpose of this Act in respect of shares held in dematerialised form.

**25. Shares to be numbered progressively & no share to be sub- divided:**

Pursuant to the provisions of Section 83 of the Act, shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Provided that nothing in this Article shall apply to the shares held with a depository.

**26. Issue of Share Certificates:**

Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid - up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder. The Common seal shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.

Provided that, these provisions shall not apply to the shares held in dematerialised form.

**27. Issue or Renewal of Share Certificates:**

No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company, the Board may order the same to be cancelled, and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deems adequate being given, a new certificate in lieu thereof may be given to the party entitled to such lost or destroyed certificate. Every certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

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

The provisions contained in these Articles in respect of Share Certificates shall mutatis mutandis apply to any debentures of the Company.

**28. The first named of joint holders deemed sole holder:**

If any share stands in the names of two or more persons, the person first named in the register of members shall as regards receipts of dividends, the service of notices and subject to the provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.

**29. Liability of Joint Holders**

If any share stands out in the names of two or more persons all the joint holders of the share shall be severally as well as jointly liable for the payment of all deposits, installments, and calls due in respect of such shares, and for all incidents thereof according to the Company's Regulations, but the person first named in the Register shall, as regards receipt of dividend or bonus or service of notice, and all or any other matters connected with the Company, except voting at meetings and the transfer of the shares, and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.

**30. Company not bound to recognize any interest in share other than that of registered holder:**

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 (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof to register any Share in the joint names of any two or more persons (but not exceeding 3 persons) or the survivor or survivors of them.

**31. Fractional Certificates**

The Company may issue such fractional coupons as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit.

**32. Declaration by person not holding beneficial interest in any shares:**

- (a) Notwithstanding anything herein contained a person whose name is at any time in the Register of Members of the Company as the holder of a share in Company, but who does not hold the beneficial interest in such share, shall, if so required by the Act, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of person or persons who hold the beneficial interest in such share in the manner provided in the Act;
- (b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act;
- (c) Whenever there is change in the beneficial interest in a share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act.

**DEMATERIALISATION OF SECURITIES**

**33.** The Company shall be entitled to appoint a Depository and to dematerialize/ rematerialise its Securities and to offer Securities in the dematerialized form pursuant to the Depositories Act.

**34. Dematerialisation of securities:**

- a.) Either on the Company or on the investor exercising an option to hold his securities with a Depository in a dematerialised form, the Company shall enter into an agreement with the Depository to enable the investor to dematerialise the securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
- b.) Options to receive security certificates or hold securities with depository, every person subscribing to securities offered by the Company shall have the option to

receive the security certificates or hold securities with a depository. Where a person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.

- c.) Securities with depositories to be in fungible form all securities held by a depository shall be dematerialised and shall be in a fungible form.
- d.) Nothing contained in Sections 153, 153B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

**35. Rights of depositories and beneficial owners:**

- (a) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it.
- (c) Every person holding equity share Capital of the Company and whose name is entered, as beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the securities held by a depository.

**36. Depository to furnish information:**

Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye laws and the Company in that behalf.

**37. Option to opt out in respect of any security:**

- (a) If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly.
- (b) The depository shall, on receipt of intimation as above, make appropriate entries in its records and shall inform the Company.
- (c) The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

**38. Section 83 and 108 of the Act not to apply:**

- (a) Notwithstanding anything to the contrary contained in the Articles, Section 83 of the Act shall not apply to the shares held with a depository.
- (b) Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

**39. Service of documents:**

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

**40. Allotment of securities dealt within a depository:**

Notwithstanding anything in the Act or these Articles where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

- 41.** Upon receipt of certificate of securities of surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

**42. Register and Index of beneficial owners:**

- (a) The Register and index of beneficial owners maintained by a depository under, the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.
- (b) Notwithstanding anything contained in the Act and Articles hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a Return in the prescribed form with the Registrar with regard to such declaration.

- 43.** Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act.

**CALLS ON SHARES**

**44. Directors may make calls:**

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

**45. Notice of call:**

Each member shall, subject to receiving at least 15 days' notice specifying the time or times and place of payment of the call money pay to the Company at the time to times and place so specified, the amount called on his shares.

**46. Calls to be on uniform basis**

Any call for share capital shall be made on a uniform basis on all Shares falling under the same class. For the purpose of these Articles Shares of the same nominal value, on which different amounts have been paid up, shall not be deemed to fall under the same class.

**47. Call may be revoked or postponed:**

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

**48. Call deemed to be duly made:**

A call shall be deemed to have been duly made at the time when the resolution of the Board authorizing the call was passed. Call money may be required to be paid by Installments.

**49. Liability of joint holders:**

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

**50. Interest on call to be paid in case of delay in payment:**

(a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate of interest as the Board may determine.

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

**51. Directors may extend time for payment:**

The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members or other cause, the Board may deem fairly entitled to such extension but no Member

shall be entitled to such extension save as a matter of grace and favour.

**52. Amount payable at fixed time or by installments to be treated as calls**

- (a) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall for purposes of these regulations, be deemed to be a call duty made and payable on the date on which by the terms of issue such sum becomes payable.
- (b) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duty made and notified.

**53. Payment in Anticipation of Call may carry Interest:**

Subject to the provisions of Section 92 of the Act, the Board:-

- (a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and
- (b) If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares( until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 9% (nine percent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits. The Directors may at any time repay the amount so advanced.
- (c) The concerned member shall not be entitled to any voting rights in respect of the moneys so advanced by such member until the same would but for such payment, become presently payable.
- (d) The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

**54. Proof on trial of suit for money due on:**

On the trial or hearing of any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the Company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made, nor that the meeting at



which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**55. Partial payment not to preclude forfeiture:**

Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

**LIEN**

**56. Company to have lien on shares/debentures:**

- (a) The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
- (b) The Company's lien, if any, on a share shall extend to all dividends and bonuses from time to time declared in respect of such securities.
- (c) Fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

**57. Enforcing lien:**

The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.

PROVIDED THAT no sale shall be made:-

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

For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members.

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

**58. Application of proceeds of sale:**

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

### FORFEITURE OF SHARES

**59. Notice to be given if call is not paid**

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

**60. Content of notice:**

The notice aforesaid shall:-

- (i) name of further day (not earlier than the expiry of 30 (thirty) days from the date of service of notice) on or before which the payment required by the notice is to be made; and
- (ii) state that, in the event of non-payment on or before the days so named, the shares in respect of which the call was made, will be liable to be forfeited.

**61. Shares to be forfeited if default in payment**

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.

**62. Notice of forfeiture to a member:**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stands 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.

**63. Forfeited shares to be property of the Company & 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 thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

**64. Members still liable to pay money due notwithstanding the forfeiture**

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 calls, amounts, installments, 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 as the Board may determine and the Board may enforce the payment thereof if it thinks fit.

**65. Board may annul forfeiture:**

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

**66. Declaration of forfeiture:**

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

**67. Effect of forfeiture:**

- (a) The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those rights as by these Articles are expressly saved.
- (b) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.
- (c) The transferee shall thereupon be registered as the holder of the share.
- (d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

**68. Validity of sale:**

Upon any sale, after forfeiture or for enforcing a lien in purported exercise of powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity, of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damage only and against the Company exclusively.

**69. Cancellation of Share Certificates upon forfeiture:**

Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative shares 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. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.

**70. Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum:**

The provisions of these regulations as to forfeiture shall apply, in the case of nonpayment 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.

**71. Directors may accept surrender of shares:**

The Directors may, subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

## **TRANSFER AND TRANSMISSION OF SHARES**

**72. Register of transfer/transmission to be maintained:**

The Company shall keep a "Register of Transfers", and therein shall be fairly and distinctly enter particulars of every transfer or transmission of any share and whereas in case of shares held in dematerialised form, the Register of Transfer maintained by the Depository shall be deemed to be the Register of Transfer.

**73. No transfers to minors etc:**

No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind. However a transfer of fully paid-up shares to a minor shall be allowed.

**74. Execution of transfer:**

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

**75. Form of transfer:**

- (a) The instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies Act, 1956 and of any modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.
- (b) In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in electronic form, the provisions of the Depositories Act, 1996, as amended, shall apply.

**76. Notice to transferor if instrument submitted by transferee:**

Unless the Director decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

**77. Transfer of partly paid up shares:**

When the application is made by the transferor and relates to partly paid-up shares, the transfer shall not be registered unless the Company gives notice by registered post with acknowledgement due, of the application to the transferee and the transferee make no objection to the transfer within two weeks from the receipt of the notice.

**78. Closure of transfer books, register of members/debenture holders:**

The Board shall have power on giving not less than seven days previous notice by

advertisement in some newspaper circulating in the district in which the office of the Company is situated to close the Transfer Books, the Register of Members and/or the Register of Debenture Holders 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.

**79. Directors may refuse to register transfer:**

- (a) Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the company has a lien on the shares. Transfer of shares / debentures in whatever lot shall not be refused.
- (b) The Board may also decline to recognise any instrument of transfer unless-
  - (i) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (ii) the instrument is in respect of only one class of shares.
  - (iii) if the transfer results in, or is perceived to or may result in, a contravention or violation of any restriction under law as applicable to the Company.

The decision of the Board or person (s) designated by the Board with respect to whether the transfer results in, or is perceived to or may result in, a contravention or violation of any restriction under law as applicable to the Company shall be final and binding in all respects.

**80. Instrument of transfer to be retained:**

All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.

**81. Suspension of transfers:**

The registration of transfers may be suspended at such times and for such period as the Board may, from time to time, determine. Provided that such registration shall not be suspended for more than forty-five days in the aggregate in any year or for more than thirty days at any one time.

**82. No fee to be charged:**

There shall be no charge for:

- (a) registration of shares or debentures;
- (b) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;
- (c) sub-division of renounceable Letters of Right;
- (d) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised;
- (e) registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

**83. Death of one or more joint holders of shares:**

- (a) On the death of a member, the survivor or survivors where the member was a joint holder and his legal representative where he was a sole holder shall be the only person recognised by the Company as having any title to his interest in the shares.
- (b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**84. Person entitled may register as holder or transfer:**

- (a) Any person becoming entitled to a share in consequence of the death, lunacy, bankruptcy or insolvency of a member or by any lawful means other than by a transfer in accordance with these Articles may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect, either-
  - (i) to be registered himself as holder of the share; or
  - (ii) to make such transfer of the shares as the deceased or insolvent member could have made.
- (b) The Board shall, in either case, have the same right to decline or suspend registration

as it would have had, if the deceased or insolvent member had himself transferred the share before his death or insolvency.

- (c) If the person so becoming entitled, shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (d) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (e) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

**85. Person entitled may receive dividend without being registered as member:**

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

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of the share, until the requirements of the notice been complied with.

**86. Company not liable for disregard of a notice prohibiting registration of transfer:**

The Company shall incur no liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof ( as show 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 rights, 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 rights, title or interest or be under any liability for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect ;thereto if the Board shall so think fit.

**CONVERSION OF SHARES INTO STOCK**



**87. Shares can be converted into stock:**

The Company may, by an ordinary resolution:-

- (a) convert any paid-up shares into stock; and
- (b) reconvert any stock into paid-up shares of any denomination authorised by these regulations.

**88. Transfer stock:**

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

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

**89. Right of stockholders:**

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

## **SHARE WARRANTS**

**90. Company may issue share warrants:**

The Company may issue share warrant, subject to and in accordance with, the provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion, with respect of any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (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, require, issue a share warrant.

**91. Depositing share warrant:**

- (a) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of

attending and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

- (b) Not more than one person shall be recognised as depositor of the share warrant.
- (c) The company shall, on two days' written notice, return the deposited share warrant to the depositor.

**92. Privileges and disabilities of holder of share warrant:**

- (a) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company or be entitled to receive any notice from the Company.
- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares included in the warrant and he shall be deemed to be a member of the Company in respect thereof.

**93. Board may make rules for issue of share warrants/coupons:**

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

### **GENERAL MEETING**

**94. Company to hold annual general meeting each year:**

The Company shall in each year hold in addition to any other meeting, a General Meeting as its Annual General Meeting. Every annual general meeting shall be called for at a time during business hours, on a day that is not a public holiday and shall be held either at registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated, as the directors may determine, and the notice calling the meeting shall specify at as the annual general meeting. Not more than fifteen months shall elapse between the date of an annual general meeting and the next provided that the Company may, with the sanction of the Registrar of Companies, extend the date of its holding the annual general meeting by a period not exceeding three months. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by 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 concerns him as Auditor.

**95. Statement of accounts, etc. to be placed before the annual general meeting:**

- (a) At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, 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.
- (b) The Board shall cause to be prepared the Annual List of Members, Summary of Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.

**96. Extra-Ordinary General Meeting:**

- (a) All General Meetings other than the Annual General Meetings of the Company shall be called Extra-Ordinary General Meetings.
- (b) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members (subject to the provisions of Section 169 of the Act), forthwith proceed to convene Extra-Ordinary General Meeting of the Company.

**97. Requisition of Members to state Objects of Meeting**

Any valid requisition so made by the Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

On receipt of requisition, Directors to call meeting and in default requisitionists may do so upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting; and if it does not proceed within twenty-one days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number 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 such of the paid-up share capital of the Company as is referred to in Section 169 (4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of deposit of the requisition as aforesaid.

**98. Meeting called by requisitionists**

Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

**99. Notice of meeting:**

- (a) Any General Meeting of the Company, whether annual general meeting or

extraordinary general meeting, may be called by giving not less than twenty one (21) clear days' notice in writing or a notice shorter than twenty one (21) days if consent thereto is given by the Members in accordance with the provisions of Section 171 of the Act.

- (b) Every notice of a 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 thereat.

**100. Omission to give notice not to invalidate proceedings:**

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

**101. When a Director or any two Members may call an Extra Ordinary General Meeting:**

If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors 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 for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

### CONDUCT OF GENERAL MEETINGS

**102. Only business mentioned in notice to be transacted:**

No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called.

**103. Quorum of meeting:**

- (a) Save as otherwise provided in Section 174 of the Act, a minimum of five members present in person shall be the quorum. 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.
- (b) No business shall be transacted at any general meeting, unless a quorum or members is present at the time when the meeting proceeds to business.

**104. 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, a quorum is not present, the meeting if called by or upon the requisition of

the Members shall stand dissolved and 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 until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.

**105. Resolution passed at adjourned Meeting**

Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is 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.

**106. Chairman of meeting:**

- (a) The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.
- (b) If there is no such Chairman or if he is not present within fifteen minutes of the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting.
- (c) If at any meeting no Director is willing to act as Chairman or if no Director is present within 15(fifteen) minutes of the appointed for holding the meeting, members present shall choose one of their members to be the Chairman of the meeting.

**107. 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.

**108. Chairman may adjourn meeting with consent of members:**

- (a) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting, from time to time and place to place.
- (b) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.
- (c) When a meeting is adjourned for thirty days or more, fresh notice of the adjourned meeting shall be given as in the case of an original meeting.
- (d) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

**109. Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required:**

Any act or resolution which, under the provisions of these articles or the Act, is permitted or required to be done or passed by the Company in General Meeting, shall be sufficiently so done or passed if affected by an ordinary resolution unless either the Act or the Articles specifically require such act to be done or resolution to be passed as a special resolution.

**110. Casting vote of Chairman:**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

**111. Resolution how carried:**

At any General Meeting, a resolution put to vote shall be decided on a show of hands, unless a poll (before or on the declaration of the result of the show of hands) is demanded in accordance with the provisions of the Act. Unless a poll is so demanded, a declaration by the Chairman that such resolution has, on a show of hands, been carried unanimously, or by particular majority, or lost, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without the requirement of any proof of the number or proportion of the votes cast in favour of or against that resolution.

**112. Poll to be taken if demanded:**

If a poll is duly demanded, it shall be taken in such manner as the Chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded. Any business other than that upon which a poll has been demanded, may proceed, pending the taking of the poll.

Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers 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 scrutinizer from office and fill vacancies in the office of the scrutinizer arising from such removal or from any other cause.

**113. Resolution requiring Special Notice:**

- (a) Where under any provisions of the Act or in the articles special notice is required of any resolution notice of such intention of 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 on which the notice is

served or deemed to be served and the date of meeting.

- (b) The Company shall immediately after receipt of notice of intention to move any resolution as aforesaid give its members notice of the resolution in the same manner as it gives the notice of the meeting or in case it is not practicable then notice shall be given either by the advertisement in the newspaper having an appropriate circulation or in any other appropriate mode suggested by its articles not less than seven days before the meeting.

## VOTES OF MEMBERS

### **114. Number of votes to which member entitled:**

Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of share for the time being forming part of the Capital of the Company, every Member of the Company 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 on a 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 of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.

### **115. No voting right if calls not paid:**

No member shall be entitled to vote either in person or by proxy at any general meeting or Meeting of a class of share holders either upon a show of hands or upon a poll unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares on which the Company has exercised any right of lien, have been paid.

### **116. Voting by joint holders:**

In the case of joint holders, the vote of the senior who tenders a vote whether in persons or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall 77A. Any person entitled under the Transmission of their shares/ transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the 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 proposes to vote, he shall satisfy the Directors of the right to transfer 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. Votes of members of unsound mind/minors:**

A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office not less than 24 hours before the time of holding the meeting or adjourned meeting at which such person claims to vote on poll. If any Member be a minor, the votes in respect of his share or shares shall be by his guardian or any of his guardians, it more than one, to be elected in case of dispute by the Chairman of the meeting.

**118. Casting of Votes by members entitled to more than one vote:**

On a poll, a Member having more than one vote, or its proxy or other person entitled to vote for such Member need not vote all its votes in the same way.

**119. Votes in respect of shares of deceased & insolvent member:**

Any person entitled to transfer any share may vote at any General Meeting in respect thereof in same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.

**120. Objection as to the validity of vote:**

- (a) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
- (b) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.

**121. Votes in person or by proxy:**

Subject to the provisions of these Articles, votes 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.

**122. Appointment of Proxy:**

Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporate body, by a



resolution of its Board of Directors, or be signed by an office or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have the right to speak at the meetings and should not be entitled to vote except on a poll.

**123. Form of instrument of proxy:**

An instrument appointing a proxy shall be either of the forms in Schedule IX to the Act or in a form as near thereto as circumstances admit.

**124. Deposit of instrument of proxy:**

The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notary certified copy of that power or authority shall be deposited at the registered office of the Company, not less than 48 hours before the time for holding the meeting of adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated valid.

**125. Proxy either for specified meeting or for a period:**

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

**126. Validity of votes given by Proxy notwithstanding death of member:**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of insanity of the principal or the revocation of the proxy of the authority under which the proxy are executed or the promoter of the shares in respect of which the proxy is given, if no intimation in writing of such death; insanity, revocation or transfer shall have been received by the Company at its office before commencement of the meeting or adjourned meeting at which the proxy is used.

**127. No proxy to vote on a show of hands:**

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

**128. Postal ballot:**

Subject to, and in accordance with, the provisions of the Act, the Company may, and in case of resolutions relating to such matters as the Central Government may, by notification, require to be conducted only by Postal Ballot, shall, get such resolutions passed by means of a Postal Ballot, instead of transacting the business in a General

Meeting.

## **BOARD OF DIRECTORS**

**129. Number of directors:**

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

**130. First directors:**

The following shall be the first directors of the Company:-

1. Mr. Promod Gupta
2. Mr. Anurag Gupta
3. Mrs. Sudesh Gupta

**131. Retirement of directors by rotation:**

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 in accordance with the provisions of Section 255 of the Act or if their number is not three or multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Sections 256 of the Act. The non-retiring Directors and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire.

**132. Company to appoint Successors**

The Company, at the annual general meeting at which a Director retires in manner aforesaid, may, fill up the vacated office by electing the retiring Director or some other person thereto.

**133. Provisions in default of appointment**

- a) If the place of the 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,
- b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless:
  - i) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
  - ii) the retiring Director has, by his notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed;

- iii) he is not qualified or is disqualified for appointment;
- iv) a resolution, whether special or ordinary is required for the appointment or re-appointment by virtue of any provisions of the Act; or the provision to sub-section (2) of Section 263 is applicable to the case.

**134. Qualification shares:**

The Directors shall not be required to hold any qualification shares in the company.

**135. Additional Directors:**

Subject to Section 260 of the Act, the Board of Directors shall have power at any time, and from time to time, to appoint one or more persons as additional Directors ("Additional Director") provided that the total number of Directors including such Additional Directors shall not at any time exceed the maximum number of Directors fixed by these Articles. Any Additional Director so appointed shall hold office only up to the date of next following annual general meeting of the Company and shall be eligible for reelection by the Company at that meeting.

**136. Debenture Director:**

If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a Director accordingly, Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

**137. Nominee directors:**

- (a) In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provides, appoint another Director in his place.
- (b) Every nomination, appointment or removal of a Nominee Director shall be in writing

and accordance with the rules and regulations of the government, corporation or any other institution. A Nominee Director shall be entitled to the same rights and privileges and be subject to same obligations as any other Director of the Company.

**138. Directors may fill casual vacancy:**

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 to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.

**139. Director may act notwithstanding vacancy:**

The continuing Director or Directors 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, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.

**140. Alternate Director:**

Subject to the provisions of Section 313 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.

**141. Director may be director of companies promoted by the Company:**

A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company, Such Director before receiving or enjoying such benefits in cases in which the provisions of Section 314 of the Act are attracted will ensure that the same have been complied with.

**142. Remuneration to directors:**

- (a) Subject to the applicable provisions of the Act, Managing Director or Director, who is in the whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor 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 authorised such payment.

**143. Directors' sitting fees:**

The fee payable to a Director (not including a Managing or whole-time Director, if any) for attending a Meeting of the Board or Committee thereof shall be such sum as may be prescribed by the Central Government from time to time and approved by the Board of Directors or such higher fees as may be approved by the members in the General Meeting with the approval of the Central Government, where such fees payable to the Directors for attending the meetings of the Board or committee thereof, exceeds the amount prescribed by the Central Government.

**144. Remuneration for extra services rendered:**

Subject to the provisions of Sections 198, 269 read with schedule XIII, 309, 310 and 314 of the Act, if Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit otherwise and may allow such Directors at the cost and expense of the Company such facilities or amenities (such as rent free house, free medical aid and free conveyance) as the Board may determine from time to time.

**145. Traveling expenses incurred by Directors not a bona fide resident or by Director going out on Company's business:**

The Board may allow and pay to any Director, who is not a resident of the place where the Meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any Meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such Meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

**146. Vacation of office by directors:**

The office of a Director shall become vacant:-

- i) on the happening of any of the events provided for in Section 283 of the Act;
- ii) on contravention of the provisions of Section 314 of the Act, or any statutory modifications thereof;

- iii) if a person is a Director of more than fifteen Companies at a time;
- iv) in the case of alternate Director on return of the original Director of the State, in terms of Section 313 of the Act; or
- v) on resignation of his office by notice in writing and its acceptance by the Board.

**147. Removal of directors:**

The Company may subject to the provisions 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 and Nominee Director before the expiry of his period of office.

**148. Director may contract with the Company:**

A Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such firm, or a private Company of which the Director is a Member or Director may enter into any contract with the Company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that, and if so required by the Act, if the paid-up share Capital of the Company is not less than Rs. One Crore, no such contract shall be entered into except with the previous approval of the Central Government of India and the sanction of the Board shall be obtained before or within three months of the date on which the contract is entered into in accordance with the provisions of the Act.

**149. No sanction shall, however, be necessary for -**

- (a) any purchase of goods and materials from the Company or the sale of goods or materials to the Company, by any such Director, relative, firm, partner; or private Company as aforesaid for cash at prevailing market prices; 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, materials and services in which either the Company or the Director, relative, firm, partner or private Company, as the case may be, regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed Rs. 5,000/- in the aggregate in any year comprised in the period of the contract or contracts.
- (c) Provided that in circumstances of urgent necessity, a Director, relative, firm, partner or private Company as aforesaid may without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services, even if the value of such goods or the cost of such services exceeds Rs. 5,000/- in the aggregate in any year comprised in the period of the contract if the consent of the Board shall be obtained to such contracts at a Meeting within three months of the date on which the contract was entered into.

**150. Disclosure of interest:**

A 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 to 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 in the manner provided in Section 299 (2) of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share Capital in any such other Company.

**151. General notice of interest:**

A General Notice given to the Board by the Director, to the effect that he is a Director or 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 a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of 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.

**152. Interested directors not to participate or vote in Board proceedings:**

No Director shall act as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement; not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided, however, that nothing herein contained shall apply to :-

- (a) any contract of indemnity against any loss, which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
- (b) any contract or arrangement entered into or to be entered into with a public Company or a private Company which is a subsidiary of a public Company in which the interest of the Director consists solely
  - (i) in his being -a Director of such Company, and the holder of not more than share of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director

by the Company, or

(ii) in his being a Member holding not more the 2% of its paid-up share Capital.

**153. Register of contracts in which directors are interested:**

The Company shall keep a Register in accordance with Section 301(1) of the Act and shall within the time specified Section 301(2) of the Act enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies corporate and firms of which notice has been given by him under Article 148, 149. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required by any Member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

**154. Directors may be directors of companies promoted by the Company:**

A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 309(6) or Section 314 of the Act may be applicable.

**155. Company may increase or reduce the number of Directors or remove any Director:**

Subject to the provisions of Section 252,255 and 259 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.

**156. Signing of cheques**

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

**157. POWERS OF BOARD OF DIRECTORS Powers of Board:**

Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and do all such acts and things, as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or by the Memorandum of Association or these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum of Association or in these



Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in a General Meeting.

**158. Board may delegate:**

Subject to Sections 292 and 293 of the Act, the Board shall have the right to delegate any of their powers to the Managing Director and such committees of the Board, Directors, Secretary, managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers. The Board may authorise Directors to sub-delegate the delegated powers.

**159. Regulation made by Company shall not invalidate prior act of board:**

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

### **BORROWING POWER**

**160. Power to borrow:**

The Board may, from time to time, and at its discretion, subject to the provisions of Sections 58A, 292, 293 of the Act and of these Articles, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding and un-discharged at that time exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution.

**161. Payment or repayment of moneys borrowed:**

The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any Share/debenture of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Members of the Company in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

**162. Terms of issue of debentures:**

Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise, may be made assignable free from any equities between the Company and person to whom the same may be issued and may be issued on the condition that they shall be convertible into shares of any authorised denomination, and with privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meetings, 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 by a Special Resolution.

**163. Register of Mortgages, etc. to be kept**

The Board shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125, and 127 to 144 (both inclusive) of the Act, in that behalf to be duly complied with (within the time prescribed by the said sections or such extensions thereof as may be permitted by the Company Law Board or the Court or tribunal or the Registrar as the case may be) so far as they fail to be complied with by the Board.

### PROCEEDINGS OF THE BOARD

**164. Meeting of Directors**

The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three calendar months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they may think fit.

**165. Notice of Board Meetings**

Seven clear day's notice at least of every meeting of the Board shall be given by the Secretary of the Company, if any, or by any person or persons nominated by the Executive Chairman, in writing to every Director at his usual address or on if so permitted through written communication sent electronically. Provided, however, that the Chairman of the Board shall have the powers to convene a meeting of the Board or to request the Secretary of the Company to convene a Meeting of the Board by giving a shorter notice.

**166. Quorum of meeting:**

Subject to Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one third of its total strength ( any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that 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.

**167. Adjournment of meeting for want of quorum:**

- (a) If a meeting of the Board could not be held for want of quorum, then unless the Directors present at such meeting otherwise decide, 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 a public holiday, till the succeeding day which is not a public holiday at the same time and place.
- (b) The Provisions of these Articles shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms of that Article could not be held for want of a quorum.

**168. Chairman of board meeting:**

- (a) Save as provided in Articles, the Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such.
- (b) If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting the Directors present may choose one of their members to be Chairman of the meeting.

**169. Questions at board meetings how decided:**

Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.

**170. Chairman's casting vote:**

In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.

**171. Powers of Board Meeting**

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

**172. Committees of Board:**

Subject to the restrictions contained in Section 292 and other applicable provisions of the Act, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it thinks fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any

regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

**173. Proceedings of committee meetings:**

- (a) 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 meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Articles.
- (b) Chairman of committee meetings:
  - (i) A committee may elect a Chairman of its meetings,
  - (ii) If no such chairman is elected or if at any meeting the chairman is not present within five minutes of the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.
- (c) A committee may meet and adjourn as it thinks proper.
- (d) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairman shall have a second or casting vote.

**174. Defect in appointment of directors not to invalidate acts of board and committee meetings:**

All acts done by any meeting of the Board or by a committee thereof by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Directors or persons acting as aforesaid: or that they or any of them were disqualified or had vacated office or were not entitled to act as such or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, had duly continued in office, was qualified, had continued to be a Director his appointment had not been terminated and he had been entitled to be a Director provided that nothing in this Article shall be deemed to give validity to any act done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

**175. Resolution by circulation:**

No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation unless the resolution has been circulated in a draft,

together with the necessary papers, if any, to all the Directors, or to all the Members of the committee then in India (not being less than in number than the quorum fixed for a meeting of the Board or committee, as the case may be) and to all other Directors or members of the committee, at their usual address in India and has been approved by such of the Directors or Members of the committee as are in India, or by a majority of such of them as are entitled to vote on the resolution. Such resolutions may be signed by the Directors in counterparts.

**176. Directors to record attendance:**

Every Director present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

**177. Minutes of proceedings of meetings:**

(a) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.

(b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:

(i) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(ii) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said 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 authorized by the Board for the purpose

**178. Minutes to be evidence of proceedings:**

The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.

**179. Minutes to be kept at Registered Office of the Company:**

The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.

**180. Validity of the Meeting:**

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

### **MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)**

#### **181. Power to appoint Managing Director/Whole time Director:**

Subject to provisions of Section 197A, 269 198, and 309 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5(five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act,1956 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall be automatically determined if he ceases to be a Director.

#### **182. Powers of Managing Director/Whole time Director:**

The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

#### **183. Appointment and powers of Manager:**

Subject to the provisions of the Act and these articles, the Board may, from time to time, appoint any Manager (under Section 2(24) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient.

#### **184. Prohibition of simultaneous appointment of different categories of managerial personnel:**

The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely:

- (i) Managing Director, and

(ii) Manager

## SECRETARY

**185. Appointment of Secretary:**

Subject to Section 383A of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

**186. Director may be appointed as Secretary:**

A Director may be appointed as a Secretary.

**187. Same person cannot act in both capacities for a particular act:**

Any provision in the Act or these regulations requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.

## THE SEAL

**188. The Seal:**

The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.

**189. Common Seal for use outside India:**

The Board shall also be at liberty to have an official seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India. The Company shall, however, comply with Rule 6 of the Companies (Issue of Share Certificates) Rules, 1960.

**190. Affixing of common seal:**

(a) The common seal shall be affixed to any instrument only by authority of a resolution by Board or Committee.

(b) Subject to Rule 6 of the Companies (Issue of Share Certificate) Rule, 1960 every share certificate shall be issued under the seal of the company, which shall be affixed in the presence of

(i) Two directors or persons acting on behalf of the directors under a duly registered power-of-attorney; and

(ii) The secretary or some other person appointed by the Board for the purpose. The two directors or their attorneys and the secretary or other person shall sign the share certificate provided that at least one of the aforesaid two directors shall be a person other than a managing or whole-time director.

(c) For every other instrument, common seal of the company shall be affixed by the persons as authorized by the resolution of the Board or Committee thereof authorized in that behalf, and in the presence of (i) at least one director and of the secretary; or (ii) any two directors or persons acting on behalf of the directors under a duly registered Power of Attorney.

**191. Removal of Common Seal outside the office premises**

The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.

**DIVIDENDS AND RESERVES**

**192. Division of profits:**

Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;

**193. Company may declare dividend in general meeting:**

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

**194. Dividends out of profits only:**

No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.

**195. Interim dividend:**

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

**196. Creation of reserves:**

- a. The Board may, before recommending any dividend, set aside out of the profits of the Company, such sums, as it may think proper, as reserve or reserves which shall at the discretion of the Board, be applicable for any of the purposes to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such applications may at the like discretion either be employed in the



business of the Company or be invested in such investments ( other than shares of the Company) as the Board may, from time to time, think fit.

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

**197. Capital paid up in advance at interest not to earn dividend:**

No amount paid or credited as paid on a share in advance of calls shall be treated for the Where Capital is paid in advance of calls, such Capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

**198. Dividend in proportion to amount paid up:**

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

**199. Debt may be deducted from dividend:**

- a. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- b. The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.

**200. No Member to receive dividend while indebted to the Company and the Company's right in respect thereof:**

No Member shall be entitled to receive payment 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 or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.

**201. Dividend how remitted:**

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

address as the first named holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person, to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, for any dividend lost to the Member or person entitled thereto by the forged endorsement of any dividend cheque or the fraudulent recovery of the dividend by any other means. Provided that the Company can also pay the dividend by crediting it directly to the bank account of the shareholders through Electronic fund transfer system of the banks or any other mode which, in the opinion of the Board of Directors, is appropriate for payment of dividend to the shareholders.

**202. Dividend, etc to joint holders:**

Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonus or others moneys payable in respect of such share.

**203. Notice of dividend:**

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

**204. Dividend to be paid within time required by law:**

The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, other than the Members who have waived/forgone their right of receiving any dividend declared / to be declared by the Company for any financial year within such time as may be required by law from the date of the declaration unless:-

- (i) where the dividend could not be paid by reason of the operation on any law; or
- (ii) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or
- (iii) where there is dispute regarding the right to receive the dividend; or
- (iv) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or
- (v) 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 on the part of the Company

**205. Dividend not to bear interest:**

No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid.

**206. Right to dividend pending registration of transfer:**

A transfer of Shares shall not pass the rights to any dividend declared thereon, before the registration of the transfer takes effect and the Shares are registered in the name of the transferee.

**207. Unpaid or unclaimed dividend:**

- (a) Where the Company has declared a dividend which has not been paid or claimed within 30 days from the date of declaration, the company shall transfer the total amount of dividend, which remains unpaid or unclaimed, within 7 days after the expiry of the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "PG Electroplast Limited Unpaid Dividend Account".
- (b) Any amounts transferred to the Unpaid Dividend account specified above which remain unpaid or unclaimed for a period of 7 (seven) years from the date on which they first became due for payment, shall be transferred by the Company to a fund known as the Investor Education and Protection Fund established under Section 205C(1) of the Act. A claim to any money so transferred to the Fund may be preferred to the Central Government by the shareholders to whom the money is due.
- (c) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

**208. Set off of calls against dividend:**

Any General Meeting declaring a dividend may on the recommendation 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.

**209. Dividend in cash:**

No dividends shall be payable except in cash, provided that nothing in these 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 being unpaid on any Shares held by Members of the Company.

**CAPITALISATION OF PROFITS**

**210. Capitalisation of profits:**

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

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

**211. Board to give effect:**

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

**212. Fractional share certificates:**

- (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall;
  - (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares; and
  - (ii) Generally do all acts and things required to give effect thereto.
- (b) The Board shall have full power:
  - (i) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions; also
  - (ii) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may

be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.

- (c) Any agreement made under such authority shall be effective and binding on all such members.
- (d) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

## ACCOUNTS

### **213. Books of accounts to be kept:**

The Board shall cause proper books of accounts to be maintained under Section 209 of the Act.

### **214. Inspection by members:**

- (a) The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company or any or them, shall be open to the inspection of members not being Directors.
- (b) Subject to provisions of Section 209A of the Act, no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by law or authorised by the Board or by the Company in General Meeting.

## BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

### **215. Statement of accounts to be furnished to General Meeting:**

The Board of Directors shall from time to time in accordance with Sections 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 up as at the end of the financial year which shall be a date which shall not precede 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.

### **216. Board Report:**

There shall be attached to every such balance sheet a report of the Board as to the state of the Company's affairs and as to the amounts, if any, which it proposes to

carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend, and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of the report. The Board's report shall so far as is material for the appreciation of the state of the Company's affairs by its Members and will not in the Board's opinion be harmful to the business of the Company or any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest and any other information as may be required by Section 217 of the Act, The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor's report. The Board's report and any addendum thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and when he is not so authorised, shall be signed by not less than two Directors.

**217. Signing of Balance Sheet**

Every balance sheet and every profit and loss account of the Company shall be signed on behalf of the Board of Directors by its manager or Secretary if any, and by not less than two Directors, one of whom shall be a Managing Director if there is one, provided that if there is only one Director present in India at the time, the profit and loss account and balance sheet shall be signed by such Director but in such a case there shall be attached to the profit and loss account and balance sheet a statement signed by such Director explaining the reason for non-compliance with the aforesaid provision requiring the signature of Directors. The profit and loss account shall be annexed to the balance sheet and the auditor's report (including the auditor's separate, special or supplementary report, if any), shall be attached thereto, and such report shall be read before the Company in general meeting and shall be open to inspection by any Member,

**218. Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219:**

- (a) The Company shall comply with the requirements of Section 219 of the Act.
- (b) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.
- (c) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.

**219. Accounts to be audited:**

Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for Correctness as per provisions of the Act.

**220. Appointment of auditors:**

- (a) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act.
- (b) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor.
- (c) Where at any Annual General Meeting, no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.
- (d) The Company shall within seven days of the central government's power under sub-clause (c) becoming exercisable give notice of that fact to that Government.

**221. Casual vacancy in office of auditors:**

The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of art Auditor, the vacancy shall only be filled by the Company in General Meeting.

**222. Special notice to be given for appointment of person other than retiring auditor:**

A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

**223. Audit of Branch Offices:**

The Company shall comply with the provisions of the Act in relation to the audit of the accounts of any branch offices of the Company.

**224. Remuneration of Auditors:**

The remuneration of the auditors shall be fixed by the Company in a General Meeting or in such manner as the Company may, in a General Meeting, determine.

**225. Accounts when audited and approved to be conclusive except as to errors discovered within 3 months:**

All accounts of the Company, when audited and approved by a General Meeting, shall be conclusive except as regards any error discovered therein within three (3) months following the approval thereof. Any such error discovered within such three (3) month period shall forthwith be corrected in accordance with the terms of any resolution in respect thereof and such amended accounts shall henceforth be conclusive.

**DOCUMENTS AND NOTICES**

**226. Service of documents or notices on Members by the Company.**

A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address, or (if he has no registered address in India) to the address supplied by him to the Company for serving documents or notices on him.

**227. Manner of service of documents or notices**

Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the documents or notice, provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and such service shall be deemed to have been effected in the case of notice of a Meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time of which the letter would be delivered in the ordinary course of post.

**228. Advertisement**

A document or notice advertised in a newspaper circulating in the city in which the registered office of the Company is situated shall be deemed to be duly served or sent on the day on which the Advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notice to him.

**229. On personal representatives, etc.**

A document or notice may be served or given by the Company on or to persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to



be so entitled or (until such an address) has been so supplied by serving the documents or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

**230. On Joint-holders**

A document or notice may be served or given by the Company to the joint holders of share by serving or giving the document or notice on or to the joint holder named first in the register of Members in respect of the share.

**231. To whom documents or notices must be served or given**

Documents or notices of every General Meeting shall be served or given in some manner hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a Member and (c) the Auditor/s for the time being of the Company

**232. Members bound by documents or notices served on or given to previous holders**

Every person, who, by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every document or notice in respect of such shares 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 he derives his title to such share.

**233. Documents or notices by Company and signature thereof**

Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purposes and the signature thereto may be written, printed or lithographed.

**234. Service of documents or notice by Member**

All documents or notices to be served or given by Members on or to the Company or any officer at the office by post under a Certificate of Posting or by Registered Post, or by leaving it at the registered office

## **RECONSTRUCTION**

**235. Reconstruction:**

Where the Company seek to reconstruct its Capital structure then the Company shall make an application to the High Court under section 391 for sanctioning the scheme of compromise or arrangement between the Company and such other persons as are mentioned in that section and such compromise or arrangement shall subject to the provisions of section 391, 392, 393, 394, 394A, 395, 396 and section 396 A of the Companies Act, 1956

## **WINDING UP**

**236. 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 so 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 the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

**237. Distribution in specie or in kind**

- (a) 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 trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.
- (b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where 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 any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.
- (c) In case any Shares to be divided as aforesaid 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 pay him the net proceeds and the Liquidator shall, if practicable act accordingly.

**238. Right of shareholders in case of sale:**

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

## INDEMNITY

### **239. Directors' and others' right to indemnity**

Subject to the provisions of Section 201 of the Act, every Director, manager, Managing Director, Secretary and other officers of the Company shall be indemnified by the Company against, and it shall be the duty of the Board to pay out of the funds of the Company all the costs, losses and expenses which any Director, manager, Managing Director, Secretary or officer may incur or become liable to by reason of any contract entered into or in any way in the discharge of his duties, including expenses and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, manager, Managing Director, Secretary or officer in defending any proceedings, whether civil or criminal, in which judgment is given in his favour he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Members over all claims.

### **240. Directors, Officers not responsible for acts of others**

Subject to the provisions of Section 201 of the Act, no Director, Managing Director, manager, Secretary or Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, Managing Director, Secretary, manager, or officer or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any Person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

## SECRECY

### **241. Secrecy Clause**

Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any 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 transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter hereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

**242. No Member to enter the premises of the Company without permission**

No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

Names, description, occupation and addresses of each subscribers	Signature of subscribers	Name, addresses, description, occupation and signature of witness of witnesses
<p>PROMOD GUPTA</p> <p>S/o Late Shri Lakhmi Chand Aggarwal, B-11, Mahendru Enclave, (Opp.Gujranwala Town), Delhi - 110033.</p>	<p>Sd/-</p>	<p>I witness the signatures of all the subscribers.</p> <p>Sd/-</p> <p>KRISHNAVATAR KHANDELWAL</p> <p>S/o Shri Kanhaiya Lal Khandelwal</p> <p>8-B, Pocket-B, Mayur Vihar Phase-2, Delhi- 110091</p> <p>Chartered Accountant</p> <p>M.No. 70947</p>
<p>SUDESH GUPTA</p> <p>W/o Shri Promod Gupta, B-11, Mahendru Enclave, (Opp.Gujranwala Town), Delhi - 110033.</p>	<p>Sd/-</p>	
<p>ANURAG GUPTA</p> <p>S/o Shri Promod Gupta, B-11, Mahendru Enclave, (Opp.Gujranwala Town), Delhi - 110033.</p>	<p>Sd/-</p>	

Place: Delhi

Dated:11<sup>th</sup> day of March, 2003