

THE COMPANIES ACT, 1956
PUBLIC COMPANY LIMITED BY SHARES
ARTICLE OF ASSOCIATION
OF
CLASSIC FILAMENTS LIMITED

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

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

"The Act" means the Companies Act, 1956.

"The Articles" means the Articles of Association or the same as may from time to time altered by special resolution.

"The Company" means CLASSIC FILAMENTS LIMITED

"The Directors" means the Directors of the Company.

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

"Dividend" includes bonds but excludes bonus shares.

"The Managing Director" means the Managing Director appointed as such of the Company.

"Month" means the Calendar month.

"The Registrar" means the Registrar of Companies, of the State in which Registered Office is situated.

"The Secretary" means the Secretary appointed as such of the Company.

"Seal" means the Common Seal of the Company.

"In Writing" and "Written" include printing, lithography or reproducing words in a visible form.

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

Words importing persons include corporations.

Words importing masculine gender only include the feminine gender.

Table 'A' will apply

2. Save as specifically excluded, varied or altered expressly reproduced herein, the regulations contained in Table "A" in Schedule 1 to the Act, shall apply to the Company.

Company not to purchase its own shares.

3. Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of or lent on the security of shares, in the Company and the Company shall not give, directly or indirectly any financial assistance, whether by way of loan, guarantee the provision of security or otherwise for the purpose of or in connection with any purchase of or subscription for shares in the Company or any Company of which it may, for the time being, be a subsidiary.

These Articles shall not be deemed to affect the power of the Company to enforce repayment of loans to members or to exercise a lien conferred by Article 23.

SHARES

Redeemable Preference Share

4. The Authorised Share Capital of the Company shall be as stated in the Memorandum of Association.

5. Subject to the provisions of these Articles, the Company shall have power to issue preference shares carrying a right to redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company, and the Board may subject to the provision of Section 80 of the Act, exercise such power in such manner as it thinks fit.

Allotment of Shares

6. Subject to the provisions of these Articles and of Section 81 of the Act, the shares shall be under the control of the Board who may allot or otherwise dispose off the same for such purpose on such terms and conditions, and at such times as the Board thinks fit. Provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting.

Power of issue of shares at discount

7. Subject to the provisions of the Act, it shall be lawful for the Company to issue at a discount shares of a class already issued.

Commission, brokerage

8. The Company may exercise the power of paying commission conferred by Section 76 of the Act and in such case shall comply with the requirement of the Section. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of the shares or debentures pay such brokerage as may be lawful.

Instalment of shares to be duly paid.

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

Liability of joint holders of shares.

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

Trusts not recognised

11. Except as required by law, and subject to section 187 of the Act, no persons shall be recognised by the company as holding any share.

upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share of (except only as by these regulations by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

12. Shares may be registered in the name of any persons, Company or other body corporate. Not more than four persons shall be registered as joint-holder of any share.

CERTIFICATES

13. (a) Every member shall be entitled free of charge of one certificate for all the shares of each class registered in his name or, if any member so wishes to several certificate each for one or more of such shares but, in respect of each additional certificate, which does not comprise shares in lots of the market unit of trading, the Board may charge a fee of Rs. 2/- or such less sum as it may determine. Unless the conditions of issue of any shares otherwise provide, the Company shall either within three months after the date of allotment and on surrender to the Company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptance or of renunciation or in case of issue of bonus shares) or within one month of receipt of the application for registration of the transfer, sub-division, consolidation or renewal of any of its shares, as the case may be complete and have ready for delivery the certificate of such shares. In respect of any shares held jointly by several person, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint-holders shall be sufficient delivery to all such holders. For every certificate issued in replacement of an existing certificate save for those which are issued on a splitting or consolidation of share certificates into lot of the market unit of which are old, decrypt or worn out or where the cages on the reverse for recording transfers have been fully utilised and for every other duplicate certificate the Board may charge a fee of Rs. 2/- (Rupees two only) or such smaller sum together with such out of pocket expenses incurred by the Company in investing evidence as it may determine.

- (b) The issue of share certificate and duplicate certificate and the issue of new share certificate on consolidation or sub-division or in replacement of share certificate which are surrendered for cancellation due to their being defaced, torn, old, decrypt, or worn out or the cages for recording transfers having been utilised or of share certificates which are lost or destroyed shall be in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or any statutory modification or re-enactment thereof. If any share certificate be lost or destroyed; then, upon proof thereof to the satisfaction of the Board and on such indemnity as the Board thinks fit being given, a new certificate in lieu thereof shall be given to the party entitled to shares to which such lost or destroyed certificate shall relate:

Issue of Share
Certificate

CALLS

14. The Board may from time to time subject to the terms on which any shares may have been issued and subject to the provisions of Section

Calls

91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each members shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board. A call may be made payable by instalment and shall be deemed to have been made when the resolution of the Board authorising such call was passed.

Notice of call

15. Not less than one month, notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

When interest on call of instalment payable

16. (1) If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the shares in respect of which the call shall have been made or the instalment shall be done, shall pay interest for the same at the rate of 12 per cent per annum from the day appointed for the payment thereof to the time of the actual payment or to such lower rate (if any) as the Board may determine.

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

Amount Payable at fixed times or payable by instalments as calls

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

Evidence in act on by Company against members

18. On the trial or hearing of any action or suit brought by the Company against any member or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that some of the defendants is, or was, when the claim arose on the register as holder, or one of the holders, of the Members 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 Board who made any call, not that a quorum was present at the board meeting at which any call was convened or constituted, not any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment of Calls in advance

19. The Board may, if it thinks fit, receive from any member willing to advance the same all or any part of the money due upon the shares held by him beyond the sums actually called for. Upon the money so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls that made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 6 per cent per annum as the member paying such sum in advance and the Board agree upon. Money so paid in excess of the amount of calls shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three months notice in writing.

Revocation of call

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

FORFEITURE AND LIEN

21. If any member fails to pay any call or instalment on or before the day appointed for the payment of the same the Board may at any time thereafter, during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. If call or instalment not paid notice may be given
22. The notice shall name a further day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non payment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited. Form of notice
23. If the requisitions of any such notice as aforesaid be not complied with any shares in respect of which notice has been given may, at any time thereafter before payment of all calls or instalments interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. If notice not complied with shares may be forfeited
24. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. Notice after Forfeiture
25. Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit. Forfeited Shares to become property of the Company
26. The Board may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeited thereof upon such conditions as it thinks fit. Power of annul forfeiture
27. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall notwithstanding such forfeiture remain liable to pay, and shall forthwith pay, to the Company, all calls, instalments, interest and expenses, owing upon or in respect of such share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at 12 per cent per annum and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the share at the time of forfeiture, but shall not be under any obligation to do so. Liability on forfeiture
28. 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 to the shares except only such of those rights as by these Articles are expressly saved. Effect of forfeiture
29. A duly certified declaration in writing that the declarant is a director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive Evidence of forfeiture

evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any given for the shares on the sale or disposition thereof shall constitute a good title to such shares, and the person to whom the shares sold shall be registered as the holder of such shares and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposition.

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

30. The provisions of Articles 21 to 29 hereof shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of a share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Company's lien on shares

31. The Company shall have a first and paramount lien upon all the shares (Other than fully paid up shares) registered in the name of each member (whether solely or jointly with other), and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such shares whether the period for the payment thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Article 10 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any on such shares.

As to enforcing lien by sale

32. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators, or his committee, curator bonis or other legal curator, and default shall have been made by him or them in the payment of moneys called or payable at a fixed time in respect of such shares for seven days after the date of such notice.

Application of proceeds of sale

33. The net proceeds of the 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 share before the sale) be paid to the person entitled to the shares at the date of the sale.

Validity of sales in exercise of lien and after forfeiture

34. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the share 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, nor 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 aggrieved by the sale shall be in damages only and against the Company exclusively.

Board may issue new certificates

35. Where 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 or such shares distinguishing

it in such manner as it may think fit from the certificate not so delivered up.

TRANSFER AND TRANSMISSION

36. (1) Subject to the provisions of Section 108 of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or and by or on behalf of the transferee has been delivered to the company together with the certificate or, if no such certificate is in existence, the letter of allotment of the shares. The transferor shall be deemed to remain the member in respect of such share until the name of the transferee is entered in the register in respect thereof.
- (2) The instrument of transfer shall be in the form prescribed by the Act.
37. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that where such application is made by the transferor no registration shall in the case of partly paid share be effected unless the company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.
38. Subject to the provisions of Section 111 of the Act, the Board without assigning any reason for such refusal, may, within one month from the date on which the instrument of transfer was delivered to or the intimation of transmission was lodged with the Company refuse to register any transfer of or the transmission by operation of law of the right to a share upon which the Company has a lien and in case of a share not fully paid up the Board may refuse to register the transfer to a transferee of whom the Board does not approve. The Board may also likewise refuse to register when any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Board from transferring the shares out of the name of the transferor when a transferor objects to the transfer provided he serves on the Company within a reasonable time a prohibitory order of a court of competent jurisdiction.
39. Shares may also, at the discretion of the Directors be registered in the name of minor provided the said shares are fully paid up.
40. Every instruments of transfer shall be left at the office for registration accompanied by the certificate of the shares to be transferred or if no such certificate is in existence by the letter of allotment of the shares and such other evidence as the Board may require to provide the title of the transferor or his right to transfer the shares. Every instrument of transfer which shall be registered, shall be retained by the company but any instrument of transfer which the Board refuse to register shall be returned to the persons depositing the same.
41. If the Board refuses whether in pursuance of Article 38 or otherwise to register the transfer of, or the transmission by operation of law of the right to, any share, the Company shall give notice of the refusal in accordance with the provisions of Section 111 (2) of the Act.

Registration of
Transfer of Shares

Form of transfer

Application by transferor

In what cases the Board
may refuse to register
transfer

Transfer to minor, etc.

Transfer to be left at office
and when to be retained.

Notice of refuse to register,
transfer

Fee of registration of transfer
probate etc.

42. No fee shall be charged for the registration of any transfer, grant of probate or letters of administration, certificates of death or marriage, power of attorney or other instrument.

Transmission of
registered shares

43. The executors or administrators of a deceased member (not being one of several joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint-holders of any registered shares, the survivor or survivors shall alone be recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Before recognising any legal representative or heir or executor or administrator of the member, the board may require him to obtain a grant of probate or letter of administration or succession certificate or other legal representation, as the case may be, from a competent court in India and having effect in Delhi, Provided nevertheless that in any case where the Board, in its absolute discretion, thinks fit, it shall be lawful for the Board to dispense with the production of probate or letters of administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider necessary.

As to transfer of share of
insane, minor, deceased or
bankrupt members
Transmission Article

44. Any Committee or guardian of a lunatic which term shall include one who is an idiot or non compos mentis or any person becoming entitled to or to transfer shares in consequence of the death or bankruptcy or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient may with the consent of the Board (which the Board shall not be bound to give), registered as member in respect of such shares, or any part thereof subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as the "Transmission Article".

Election under the
Transmission Article

45. (1) If the person so becoming entitled under the Transmission Article shall elect to the registered as holder of the shares him-self he shall deliver or send to the Company a notice in writing signed by him stating that he be so elects.
- (2) If the person aforesaid shall elect to transfer the shares, he shall testify his election by executing an instrument of transfer of the shares.
- (3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instruments of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer where a transfer signed by that member.

Rights of persons entitled
the Transmission Articles

46. A person so becoming entitled under the Transmission Article to share by reason of the death, lunacy bankruptcy or insolvency of the holder shall, subject to the provisions of Article 77 and of Section 206 of the Act, be entitled to the same dividends and other advantage to which he would be entitled if he were the registered holder of the shares except that no such person (other than a person becoming entitled under the Transmission Article to the share of a lunatic) shall before being registered as a member in respect of the share, be

entitled to exercise in respect thereof 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 transfer the shares, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares, until the requirements of the notice have been complied with.

INCREASE AND REDUCTION OF CAPITAL

47. The Company may from time to time, by Ordinary Resolution increase its capital by the creation of new shares of such amount as may be deemed expedient. On what conditions new shares may be issued
48. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company then issued, the new shares may be issued, upon such terms and conditions, and with such rights and privileges attached thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given, as the board shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company. Provisions relating to the issue
49. Before the issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium or subject to the provisions of Section 79 of the Act, at discount, in default of any such provisions or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of Article 6. How far new shares to rank with existing shares
50. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the existing capital of the Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise.
51. If owing to any in-equality in the number of new shares to be issued and the number of shares held by member entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting be determined by the Board. Inequality in number of new shares
52. The Company may from time to time by Special Resolution, reduce its capital and any capital redemption reserve account or share premium account in any manner and with any condition and consent required by law. Reduction of capital etc.

ALTERATION OF CAPITAL

53. The Company in general meeting may :
 - (a) Consolidate and divide all or any of its share capital into like shares of larger amount than its existing share. Power to sub-divide and consolidate shares

entitled to exercise in respect thereof 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 transfer the shares, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares, until the requirements of the notice have been complied with.

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49. Before the issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium or subject to the provisions of Section 79 of the Act, at discount, in default of any such provisions or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of Article 6. How far new shares to rank with existing shares
50. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the existing capital of the Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise.
51. If owing to any in-equality in the number of new shares to be issued and the number of shares held by member entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting be determined by the Board. Inequality in number of new shares
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ALTERATION OF CAPITAL

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 - (a) Consolidate and divide all or any of its share capital into like shares of larger amount than its existing share. Power to sub-divide and consolidate shares

- (b) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum so however that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
- (c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any amount of the share is so cancelled.

Power of sub-division

54. The resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference of special advantage as regards dividend, capital voting, or otherwise over or as compared with the other or others, subjects, nevertheless, to the provisions of Sections 85, 87, 88, 93 and 106 of the Act.

Surrender of shares

55. Subject to the provisions of Sections 100 to 104 inclusive of the Act the Board may accept from any member the surrender on such terms and conditions as shall be agreed of all or any of these shares.

MODIFICATION OF RIGHTS

Power to modify rights

56. 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, whether or not the Company is being wound up, be varied with the consent in writing of the holders, of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate meeting the provisions of the Articles relating to General Meetings shall apply but so that the necessary quorum shall be two shares of that class but so that if at any adjourned meeting of such holder a quorum as above defined is not present, those member who are present shall be a quorum and that any holder of shares of that class present in person or by proxy may demand a poll and on a poll, shall have one vote for each share of the class of which he is the holder. This article is not by implication to curtail the power of modification which the Company holds if this Article was omitted. The Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar.

BORROWING POWERS

Power to borrow

57. The Board may from time to time, at its discretion, subject to the provisions of Sections 292, 293 and 370 of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company.

Conditions on which money may be borrowed.

58. The Board may raise or secure the payment of such sum or sums or in such manner and upon such terms and conditions or in all respect as it thinks fit and in particular, by the issue of bonds notes, convertible, redeemable or otherwise perpetual or redeemable, debenture or debenture-stock or any mortgage or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

59. Any debenture, debenture-stock, bonds or other securities may be issued at a discount, premium and otherwise and with any special privileges as to redemption, surrender, conversion, drawings, allotment of shares, appointment of Directors and otherwise, debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except in conformity with the provision of section 81 (3) of the Act.
60. Save as provided in section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.
61. If the Board refuses to register the transfer of any debentures the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

Issue at discount etc of
with special privileges

Instrument of transfer

Notice of refusal to register
transfer

GENERAL MEETING

62. In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 166 (1) of the Act and, subject to the provisions of section 166 (2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the company shall be called an "Extra-Ordinary General Meeting."
63. The Board may whenever it thinks fit, and it shall on the requisition of the members in accordance with Section 169 of the Act proceed to call an Extra-Ordinary General Meeting. The requisitionists may in default of the Board convening the same, convene the Extra-Ordinary General Meeting as provided by Section 169 of the Act, provided that unless the Board shall refuse in writing to permit the requisitionists to hold the said meeting at the office, it shall be held at the office.
64. The Company shall comply with the provisions of Section 188 of the Act as to giving notice or resolutions and circulating statements on the requisition of members.
65. Subject to the provisions of Sections 171 and 176 (2) of the Act notice of every meeting of the Company shall be given to such persons and in such manner as provided by Section 172 of the Act. Where any business consists of "special business" as hereinafter defined in Article 64, there shall be annexed to the notice a statement complying with section 193 (2) and (3) of the Act.

When annual General
Meetings to be held

When Extra-Ordinary
General Meetings to be
held

Circulation of Members'
resolutions

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

Notice of Meetings

PROCEEDING AT GENERAL MEETINGS

66. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss account, the Balance Sheet and the Reports of the Directors and the Auditors to elect Directors

Business of Meetings

in place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted and any business transacted at an Extra-ordinary General Meeting shall be deemed special business.

Quorum to be present when business commenced

When if quorum not present meeting to be dissolved and when to be adjourned

Resolution to be passed by Company in General Meeting

Chairman of General Meeting

How questions to be decided at meetings Casting vote

What is to be evidence to the passing of a resolution where poll not demanded

Poll

67. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business, Save as herein otherwise provided five members personally present shall be a quorum.
68. If within half-an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon the requisition of members as aforesaid, shall be dissolved but in any other case it shall stand adjourned in accordance with the provisions of sub-section (3) (4) and (5) Section 174 of the Act.
69. Any act of resolution which, under the provisions of the Articles or of 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 effected by an Ordinary Resolution as defined in section 189 (1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 189(2) of the Act.
70. The Chairman of the Board shall be entitled to take the chair at every general meeting. If there be no such Chairman, or if at any meeting, shall not be present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the members present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, then the members present shall on a show of hands or on a poll if properly demanded, elect one of their member, being a member entitled to vote, to be Chairman.
71. Every question submitted to a meeting shall be decided in the first instance by a show of hands, and in the case of an equality of votes both on a show of hands, and on a poll, the Chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as member.
72. At any general meeting unless a poll is (before or on the declaration of the result on the show of hands) demanded in accordance with the provision of Section 179 of the Act, a declaration by the Chairman that a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect is made in the book containing the minutes of the proceedings of the meeting of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of, or against the resolution.
73. (1) If a poll demanded as aforesaid, it shall be taken forthwith on a question of adjournment or election of a Chairman and in any other case in such manner and at such time not being later than forty-eight hours from the time when the demand was made and at such place as the Chairman of the meeting directs and subject, as aforesaid, either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.

- (2) The demand of a poll may be withdrawn at any time.
 - (3) Where a poll is to be taken the Chairman of the meeting shall appoint two scrutineers, one at least of whom shall be member (not being an officer or employee of the Company) present at the meeting provided such a member is available and is willing to be appointed, to scrutinise the votes given on the poll and to report to him thereon.
 - (4) On a poll a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
 - (5) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
74. (1) The Chairman of a general meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in Article 68 it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Power to adjourn General Meeting

VOTES OF MEMBERS

75. (a) Subject to any special conditions or restrictions as to voting upon which any shares may be issued or may, for the time being, be held, on a show of hands every member person shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share held by him in respect of which he is entitled to vote.
- (b) On a poll the voting rights of a holder of equity shares shall be as specified in Section 87 of the Act.
- (c) No company or body corporate shall vote by proxy so long as a resolution of its Board of Directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the general meeting at which the vote by proxy is tendered.
76. (1) Where a company or a body corporate (hereinafter called "Member Company") is a member of the Company a person duly appointed by resolution in accordance with the provisions of Section 187 of the Act, to represent such member company at a meeting of the Company shall not, by reason of such appointment, be deemed to be a proxy, and the production at the meeting of a copy of such resolution duly signed by one Director of such member company and certified by him as being a true copy of the resolution shall, be accepted by the Company as sufficient evidence of the validity of his appointment. Such person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the "Member

Votes of Member

Procedure where a company or the President of India or the Governor of a State is a member of the Company

Company" which he represents, as that member company could exercise if it were an individual member.

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

Vote in respect of insane member

77. If any member be a lunatic idiot or non-composmentis, he may vote whether on a show of hands or at a poll by his committee, curator bonis or other legal curator and such last mentioned persons may give their votes by proxy provided that the forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote, shall satisfy the Board of his right under the transmission article to the shares in respect of which he proposes to exercise his right under this Article, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Joint Holders

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

Instrument appointing proxy to be in writing, proxies may be General or Special

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

A Person may be appointed a proxy though he is not a member of the Company and every notice convening a meeting of the Company shall state this and that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself.

Instrument appointing a Proxy to be deposited at the office

80. The instrument appointing a proxy and the power of attorney, or other authority (if any) under which it is signed, or notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument purports to vote in respect, thereof and in default the instrument of proxy shall not be treated as valid.

When vote by proxy valid through authority revoked

81. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the share

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

82. Every instrument appointing a special proxy shall be retained by the company and shall, as nearly as circumstances will admit, be in any form set out in Schedule IX to the Act or as near thereto as the Board may accept.

Form or instrument
appointing a special proxy

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

Restrictions on voting

84. (1) Any objection as to the admission or rejection of a vote either on a show of hand or on a poll, made in due time shall be referred to the Chairman who shall forthwith determine the same and such determination made in good faith shall be final and conclusive.

Admission or rejection of
votes

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

DIRECTORS

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

Number of Director

86. The following persons are First Directors of the Company as on the date of adoption of these articles.

1. Shri Radhamohan Mittal
2. Smt. Renu Mittal
3. Shri Anurag Mittal
4. Shri Sanjeev Agarwal
5. Shri Dilip Pankhi
6. Shri I. P. Yadav

87. The Directors shall not be required to hold in their own name any share as qualification share.

Qualifying share

88. (a) Each Director shall be entitled to receive out of the funds of the Company for each meeting of the Board or committee thereof attended by him, a fee not exceeding Rs. 500/- as may from time to time be determined by the Board. All other remuneration if any payable by the Company to each Director whether in respect of his services as a Managing Director or Deputy Managing Director or a Director in whole or part-time employment of the Company, shall be determined in accordance with and subject to the provisions of these Articles and of the

Remuneration of Directors

Act. The Directors shall be entitled to be paid their reasonable travelling, hotel and other expense incurred in consequence of their attending at Board and committee meetings or otherwise incurred in the execution of their duties as Directors.

- (b) If any Director, being willing, is appointed as an executive officer, whole time or part-time or be called upon to perform extra services or to make any special exertions in going or residing away from his home for any of the purpose of the Company or in giving special attention to the business of the Company or member of the Committee on the Board then subject to Section 198, 309, 310 & 314 of the Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise in any of the ways as provided in Section 309 of the Act, and such remuneration may be either in addition to or substitution for any other remuneration to which he may be entitled.

Provided that any Directors including Managing Directors (if any) holding an office of profit under the Company within the meaning of Section 314 of the Act shall not be entitled to sitting fee as aforesaid for their attendance at meeting of the Board of Directors or committee hereof.

Where Director of this Company is appointed Director of a Company in which this Company interested

89. A Director of this Company may be or become a Director of any company promoted by this 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 a Director or a member to such Company.

Board may Act not with standing Vacancy

90. The continuing Directors may act, notwithstanding any vacancy in their body, but so that if the number falls below the minimum above fixed, the continuing Director or continuing Directors, as the case may be, shall not, except for the purpose of filling vacancies, or for summoning a general meeting of the Company, act so long as the number is below the minimum.

Vacation of office of Director

91. The office of a Director shall ipso facto become vacant if at any time he commits any of the acts set out in Section 283 of the Act.

Holding of office or place of profit under the Company or its subsidiary

92. Any Director or other person referred to in Section 314 of the Act may be appointed to or hold any office or place of profit under the Company or under any subsidiary of the Company in accordance with the provisions of Section 314 of the Act.

Conditions under which Directors may contract with the Company

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

94. Every Director shall comply with the provisions of Section 299 of the Act, in regard to disclosure of his concern or interest in any contract or arrangement entered into or to be entered into by the Company.
95. Save as permitted by Section 300 of the Act, or any other applicable provisions of the Act no Director shall, as a Director, take part in the discussion of, or vote on any contract or arrangement in which he is in any way whether directly or indirectly interested or concerned, nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote.

Disclosure of Director's Interest

Discussion and voting by Director interested

APPOINTMENT AND RETIREMENT OF DIRECTORS

96. Any casual vacancy occurring among the Directors may be filled up by the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same, if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Article 102.
97. The Board shall have power at any time and from time to time, to appoint any person as a Director as an addition to the Board but so that the total number of Directors shall not, at any time, exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election.
98. The Board may appoint any person to act as alternate Director or a Director during the latter's absence for a period of not less than three months from the date in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, while he holds office as an alternate Director shall be entitled to notice of meeting of the Board and to attend and vote there at accordingly, but he shall not require any qualification and shall ipso facto vacate office if and when the absent Director returns to the state in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director, whichever is earlier.

Board may fill up casual vacancies

Power of Board to add to its number

Power to appoint Alternate Director

NOMINEE DIRECTOR

99. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), Life Insurance Corporation of India (LIC), Gujarat Industrial Investment Corporation Limited (GIIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or body or any Bank out of any loans granted by them to the company or so long as IDBI, IFCI, LIC, GIIC, GSFC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or body or any Bank (each of which IDBI, IFCI, ICICI, GIIC, GSFC And UTI or any other Financing Corporation or Credit Corporation or any other Company or body or any Bank is hereinafter in this Article referred to as "The Corporation") continue to hold Debentures in the company by direct subscription or private placement, or so long as the Corporation holds shares in the company as a result of underwriting or direct subscription or so long as any liability of the company arising out of Guarantee furnished by the Corporation on behalf of the company remains outstanding, the Corporation shall have a right to appoint from time

to time any person or persons as a Director or Directors, whole time or non-whole-time, (which Director or Directors is/are hereinafter referred to as "Nominee Director/s) on the Board of the company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any qualification, shares in the Company. Also at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, Nominee Director/s shall be entitled to have the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the company to the Corporation or so long as the Corporation holds Debentures in the company as a result of Direct Subscription or private placement or so long as the Corporation holds shares in the company as a result of underwriting or Direct Subscription or the liability of the company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall if so fact vacate such office immediately and the moneys owing by the company to the corporation is paid off, or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the company arising out of any Guarantee furnished by the corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the company are entitled but, if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the company to the Corporation or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the corporation the sitting fees, in relation to Such Nominee Director/s shall also accrue to the corporation and the same shall accordingly be paid by the company directly to the corporation.

Provided also that in the event of the Nominee Director/s being appointed as whole-time-Director/s such Nominee Director/s shall exercise such power and duties as may be approved by the Lenders and have such rights as are usually exercised or available to a whole-time Director, in the management or the management of the affairs of the Borrower, such Nominee Director/s shall be entitled to receive

such remuneration, fees, commission and moneys as may be approved the Lenders."

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| 100. | Subject to Section 255 of the Act at each Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number to one-third shall retire from office. | Rotation and retirement of Director |
| 101. | Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to be determined by retirement of Directors by rotation. | Proportion to retire by rotation |
| 102. | The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day those to retire shall in default of and subject to any agreement among themselves, be determined by lot. | Which Directors to retire |
| 103. | The Company may, subject to the provisions of Section 284 of the Act, by ordinary resolution of which special notice has been given remove any Director before the expiration of his period of office and may, by Ordinary Resolution of which special notice has been given, appoint another person in his stead, if the Director so removed was appointed by the Company in general meeting or by the board under Article 96. The person so appointed shall hold office until the date up to which his predecessor would have held office, if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy under the provisions of Article 96. | Power to remove Director by Ordinary Resolution on Special Notice |

PROCEEDINGS OF DIRECTORS

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| 104. | The Board shall meet together at least once in every three months and four times in a year for the despatch of business and may adjourn and otherwise regulate its meetings and proceedings at it thinks fit. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director. Unless otherwise determined from time to time and at any time by the Directors for the time being in India, meetings of the Board shall take place at the office. | Meeting of Board |
| 105. | A Director may, at any time, and the Secretary, if any, shall upon the request of a Director made at any time, convene a meeting of the Board. | Director may Summon Meeting |
| 106. | The Board may appoint a Chairman of its meetings and determine the period for which he is to hold office. If no such Chairman is appointed or if at any meeting of the Board, the Chairman be not present within fifteen minutes after he is appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting. | Chairman |
| 107. | The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the chairman of the Board shall appoint. | Quorum |

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| Power of Quorum | 108. A meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles or the Act for the time being vested in or exercisable by the Board. |
| How Questions to be decided | 109. Subject to the provisions of Section 316, 372 (5) and 386 of the Act, question arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote. |
| Power to appoint Committee and to delegate | 110. The Board may, subject to the provisions of the Act, from time to time, and at any time delegate any of its powers to a Committee consisting of such Director or Directors, as it thinks fit, and may from time to time, revoke such delegation. Any Committee so formed shall, in exercise of the powers so delegated confirm to any regulations that may, from time to time, be imposed upon it by the Board. |
| Proceedings of Committee | 111. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable there to and are not superseded by any regulations made by the board under the last preceding Article. |
| When acts of a Director are valid notwithstanding defective appointment etc. | 112. Acts done by person as a Director shall be valid notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions contained in the Act or in these Articles provided that nothing in these Articles shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. |
| Resolution without Board Meeting | 113. Save in those cases where a resolution is required by Section 262, 292, 297, 372 (5) and 386 of the Act or any other provisions of the Act to be passed at a meeting of the Board, resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or committee of the Board, as the case may be, duly called and constituted. if it is passed by circulation in the manner provided in Section 289 of the Act. |

MINUTES

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| Minutes to be made | <p>114. (1) The Board shall, in accordance with the provisions of Section 193 of the Act, cause minutes to be kept of every general meeting of the Company and of every meeting of the Board or of every committee of the Board.</p> <p>(2) Any such minutes or any meeting of the Board or of any committee of the Board or of the Company in general meeting, If kept in accordance with the provisions of Section 193 of the Act, shall be evidence of the matters stated in such minutes. The minute books of general meetings of the Company shall be kept at the office and shall be open to inspection by members during the hours of 10 a.m. and 12 noon on such business days as the Act requires them to be open for inspection.</p> |
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POWER OF THE BOARD

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| General Power of Company vested in the Board | 115. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such |
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powers, and to do all such act and things as the Company is authorised to exercise and do Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles or in any regulations not inconsistent therewith and duly made thereunder including regulation made by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

LOCAL MANAGEMENT

116. The Board may subject to the Provisions of the Act make such arrangements, as it may think fit, for the management of the Company's affairs abroad or in any specified locality in India and for this purpose appoint local committee and attorneys and fix their remuneration and delegate to them such powers as the Board may deem requisite or expedient. The Company may exercise all the powers of Section 50 of the Act and the official seal shall be affixed by the authority and in the presence of and the instruments sealed therewith shall be signed by such persons as the Board shall from time to time by writing under the seal appoint. The Company may also exercise the powers of Sections 157 and 158 of the Act with reference to the keeping of foreign registers.

Local management powers of Attorney, Seal for use abroad and foreign Registers

MANAGING DIRECTORS

117. Subject to the provisions of Section 316 and 317 of the Act, the Board may from time to time appoint one or more Directors or whole time Director/Directors to be Managing Director or Managing Directors of the Company, either for a fixed term as to the period for which he or they is or are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places.

Power to appoint Managing Director

118. (1) Subject to the provisions of the Section 225 of the Act, a Managing Director or wholetime Director shall not while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire, and (subject to the provisions of any contract between him and the Company, he shall be subject to the same provisions as to resignation and removal as the other Director, and he shall ipso facto and immediately, cease to be a managing Director if he ceases to hold the office of Director from any cause.

To what provisions he shall be subject

- (2) If at any time the total number of Managing Directors or whole time Directors is more than one-third of the total number of Directors, the Managing Directors or whole time Directors who shall not retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Managing Directors and whole time Directors shall be determined by the date of their respective appointments as Managing Directors by the Board.

Seniorities of Managing Directors

Remuneration of Managing Directors

119. Subject to the provisions of Section 309, 310 & 311 of the Act, a Managing Director or whole time Director shall, receive cash, remuneration as may from time to time be sanctioned by the Company.

Powers of Managing Directors

120. Subject to the provisions of the Act, and in particular to the prohibitions and restrictions contained in Section 292 thereof the Board may from time to time entrust to and confer upon a Managing Director or a whole time Director for the time being such of the powers exercisable under these provisions by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purpose, and upon such terms and conditions, and with such restrictions as it thinks fit, and it may confer such powers, either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

Power to appoint Secretary

121. Subject to the provisions of the Act, the Board may appoint secretary of the Company on such terms and conditions as it may think fit and may remove any secretary so appointed and may fill up the vacancy in the office of secretary. The secretary shall exercise such powers and carry out such duties as the Board may from time to time determine.

THE SEAL

Custody of Seal

122. The Board shall provide for the safe custody of the Seal and the Seal never be used except by the authority previously given by the Board or a committee of the Board authorised by the Board in that behalf and save as provided by Article 13 therefore at least one Director authorised by the Board in this behalf shall sign every instrument to which the seal is affixed. Provided nevertheless, that any instrument bearing the seal of the company and issued for valuable consideration shall be binding on the company not withstanding any irregularity touching the authority of the Board to issue the same.

RESERVES

Reserve

123. Subject to the provisions of the Act, the Board may before recommending any dividend, set aside out of the profits of the company such sums as it thinks proper as reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied and the Board may, whether or not it places any sum to reserve, or to carry forward any profits which the Board may think it not prudent to divide.

Investment of Money

124. All moneys carried to reserve shall nevertheless remain and be profits of the Company applicable subject to due provisions being made for actual loss or depreciation for the payment of dividends and such moneys and all the other moneys of the company not immediately required for the purpose of the Company may, subject to the provisions of Sections 370 and 372 of the act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the Board may from time to time think proper.

Capitalisation of Reserves.

125. Any General Meeting may resolve that any moneys, investment, or other assets forming part of the undivided profits of the company

standing to the credit of the reserves, or any capital redemption reserve account, or in the hands of the company and available for dividend, or representing premiums received on the issue of shares and standing to the credit of the share premium on the issue of shares and standing to the credit of the share premium account be capitalised and distributed amongst such of the shareholder as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such share holders in paying up in full any unissued shares, of the company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a share premium account of capital redemption reserve account may, for the purpose of this Article, only be applied in paying up unissued shares to be issued to shareholders of the Company as fully paid bonus shares.

126. The Company in general meeting may at any time and from time to time resolve that any surplus money in the hands of the Company representing capital profits arising from the receipt of moneys or recovered in respect of or arising from the realisation of any capital assets of the Company or any investment representing the same instead of being applied in the purchase of other capital assets or for other capital purposes be distributed amongst the equity shareholders on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided always that no such profit as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the company for the time being and provided further that such distribution shall be subject to the sanction of such authority as is imposed by the Act.

Distribution of
Capital Profits

127. For the purpose of giving effect to any resolution under the two last preceding Articles the board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and, in particular may issue fractional certificates, and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust rights of all parties and may vest such case or specific assets in trustee upon such trusts for the persons entitled to the dividend or capitalised funds as may seem expedient the Board, Where requisites a proper contract shall be filed in accordance with section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capitalised fund and such appointment shall be effective.

Fractional Certificate

DIVIDENDS

128. Subject to the rights of members entitled to shares (if any) with preferential or special rights attached thereto, the profits of the Company which shall from time to time be determined to divide in respect of and years or other period shall be applied in the payment of a dividend on the equity shares of Company but so that a partly paid-up share shall only entitle the holder with respect thereof to such a proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such share and

How profits shall be
divisible

post of the registered address of the holders, or in the case of joint-holders who is first named on the register in respect of the joint-holding or to such person and such address as the holder or joint-holders, as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

142. Any dividend remaining unclaimed or unpaid shall be dealt with in the manner as laid down in the Act.

Unclaimed dividends

ACCOUNTS

143. The books of accounts of the company relating to a period of not less than eight years immediately preceding the current year together with the vouchers, relevant, to entry in such books of account shall be preserved in good order.

Books of Accounts to be preserved

144. Every balance sheet and profit and loss account of the company when audited and adopted by the Company in general meeting shall be conclusive except as regards any error discovered therein within three months next after the adoption thereof. Whenever any such error is discovered, within that period the account shall forth in be corrected and henceforth shall subject to the approval of the company in general meeting be conclusive.

When accounts to be deemed finally settled

SERVICE OF NOTICE AND OTHER DOCUMENTS

145. A notice or other document may be given by the company to its members in accordance with Sections 53 and 172 of the Act.

How notices to be served on members

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

Transferee, bound by prior notices

147. Subject to the provisions of Article 144 any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall notwithstanding such member be then deceased and whether or not the company have notice of his decease, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such members until some other person be registered in his stead as the holder or joint-holder thereof and such service shall for all purpose of these provisions be deemed a sufficient service of such notice or document on his heirs, executors or administrators and all persons, if any, jointly interested with him in any such shares.

Notice valid through member deceased

148. Subject to the provisions of Sections 497 and 509 of the Act, in the event of a winding-up of the Company every member of the company who is not for the time being in the city where Registered office of the company is situated shall be bound, within eight weeks after the passing of an effective resolution to windup the company voluntarily or the making of an order for the winding-up of the company to serve notice in writing on the company appointing some householder residing in the neighbourhood of the office upon whom all summons, notices, process, orders and judgements in relation to or under the winding-up of the company may be served, and in default of such nomination, the Liquidator of the company shall be at liberty on behalf of such

Service of process in winding up

member to appoint some such person, and service upon any such appointee whether appointed by the member or the liquidator shall be deemed to be good personal service on such member for all purposes and where the Liquidator makes any such appointment he shall with all convenient speed give notice thereof to such member by advertisement in some daily newspaper circulating in the neighbourhood of the office or by a registered letter sent by post and addressed to such member at his address as registered in the register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the ordinary course of the post. The provisions of this article shall not prejudice the right of the Liquidator of the company to serve any notice or other document in any other manner prescribed by these Articles.

INSPECTION

Inspection

149. (1) The books of account and other books and papers shall be open to inspection by any Director during the business hours.
- (2) 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 books of account and books and documents of the company, other than those referred to in Articles 113 (2) and 149 or any of them, shall be open to the inspection for the members not being Directors, Provided that no member (not being a Director) shall have any right of inspecting any books of account or book or document of the Company except as conferred by law.

Inspection of Registers

150. Subject to the provisions of Section 209 (4) of the Act, where under any provision of the Act any person, whether a member of the company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the company, the person so entitled to inspection shall, on his giving to the company not less than twenty four hours previous notice in writing of his intention specifying which register, etc. he intends to inspect be permitted to inspect the same between the hours of 10 a.m. and 12 noon on such business day as the Act requires them to be opened for inspection.

RECONSTRUCTION

Reconstruction

151. On any sale of the undertaking of the Company the board or the Liquidators on a winding up may, if authorised by a special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not, either then existing or to be formed for the purchase in whole or in part of the property of the company, and the board (if the profits of the company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the company amongst the members without realisation, or vest the same in trustees for them, and any special resolution may provide for the distribution or appropriation of the cash shares or other securities benefit or property otherwise than in accordance with the strict legal rights of the members or contributories of the company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto save only in case the company is proposed to be is in the course of being wound up, such statutory rights (if any) under Section 494 of the Act as are incapable of being varied or excluded by these Articles.

156. Every person Compa all liabi Officer criminal, is acquir of the A

WINDING-UP

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

Distribution of assets.

153. The Liquidator on any winding-up (Whether voluntary under supervision or compulsory) may, with the sanction of a special resolution, but subject to the rights attached to any preference share capital, divided among the contributories in specie 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 as the liquidator, with the like sanction shall think fit.

Distribution of assets in specie

SECRECY

154. Every Director, Manager, Secretary, Trustee for the Company, its members or debenture-holders, members of a committee, officer, servant, agent, accountant, or other person employed in or about the business of the Company shall, if so required by the board before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do by the board by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions of these Articles.

Secrecy

155. No member or other person (not bearing a Director shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties without the permission of the Board or subject to Article 148 (2) to require discovery of or any information respecting any detail of the trading of the company or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or any matter whatsoever which may relate to the conduct of the business of the Company and which in the option of the Board it will be inexpedient in the interest of the Company to communicate.

No member to enter the premises of the Company without permission

INDEMNITY

156. Every Director, Manager, Secretary or Officer of the Company at any person (whether an officer or the company or not) employed by the Company, shall be indemnified out of the funds of the company against all liability incurred by him as such Director, Manager, Secretary, Officer or employee in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted to him by court.

Indemnity

We the several persons whose name and address are subscribed are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Name of Subscribers	Address, Description and Occupation of the Subscribers	No. of Equity Shares taken by each Subscriber	Signature of Subscribers	Name and Signature of the Witnesses and their Address Descriptions Occupations
Vinod Kumar Agarwal S/o. Gulabchand Agarwal	Raman Chambers, 5th Floor, Nr. Moti Talkies, Surat. Business	10 (Ten)	Sd/- Vinodkumar Agarwal	Witness to all the subscribers Sd - N. C. VAISHNAV NILESH CHANDRAKANT N. VAISHNAV S/o. Chandrakant N. Vaishnav 5/6, Harisidh Chambers, 3rd Floor, Ashram Road, Ahmedabad-380 014. Chartered Accountant
Rameshchandra Godswala S/o. Natvarlal Godswala	8/253A, Rangildas Mehta's Street, Gopipura, Surat. Business	10 (Ten)	Sd/- R. N. Godswala	
		20 (Twenty)		

PLACE : Surat the 13th day of March, 1990