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**MEMORANDUM AND ARTICLES**

**OF**

**ASSOCIATION**

**OF**

**INDIA EXPOSITION MART LIMITED**

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प्रारूप एक

Form 1

निगमन का प्रमाण पत्र

## Certificate of Incorporation

सं० U17225DL2001PLC110396 ..... 1923.....

No. U17225DL2001PLC110396 ..... 2001-2002.....

मै एतद् द्वारा प्रमाणित करता हूँ कि आज..... इण्डिया एक्सपोजीशन मार्ट  
लिमिटेड.....  
कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह  
कम्पनी परिसीमित है ।

I hereby certify that ..... **INDIA EXPOSITION MART 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 ..... 22 चैत्र, 1923 .....को दिया गया ।

Given under my hand at ..... **NEW DELHI** .....this ..... **TWELFTH** .....  
day of..... **APRIL** ..... **TWO THOUSAND** ..... **ONE** .....



Sd/-

( दिनेश चन्द )

उप कम्पनी रजिस्ट्रार

Deputy Registrar of Companies

रा. रा. क्षेत्र दिल्ली एवं हरियाणा

N. C. T. OF DELHI & HARYANA

COMPANY NO. 55-110396



## Certificate For Commencement of Business

व्यापार प्रारम्भ करने का प्रमाण—पत्र  
Pursuant to section 149(3) of the Companies Act, 1956  
कम्पनी अधिनियम 1956 की धारा 149 (3) के अनुसरण में

I hereby certify that the **INDIA EXPOSITION MART LIMITED**

मैं एतद् द्वारा प्रमाणित करता हूँ कि **इण्डिया एक्सपोजीशन मार्ट लिमिटेड**

which was incorporated under the Companies Act, 1956 on  
जो कि कम्पनी अधिनियम, 1956 के अन्तर्गत पंजीकृत की गई थी दिनांक **22 चैत्र, 1923**  
the **TWELFTH** day of **APRIL** 2001

and which has filed duly verified declaration in the  
और जिस ने कि यथावत् निर्धारित प्रपत्र में सत्यापित घोषणा पत्र प्रस्तुत  
prescribed form that the conditions of section  
कर दिया है कि उस ने धारा 149 (2) (क) से (ग)  
149 (2) (a) to (c) of the said Act, have been complied with is entitled  
को सभी शर्तों का अनुपालन कर दिया है, अतः व्यापार आरम्भ करने का  
to commence business  
अधिकारी है।

Given under my hand at NEW DELHI

मेरे हस्ताक्षर से आज दिनांक **22 ज्येष्ठ, 1923**

this **TWELFTH** day of **JUNE**

TWO THOUSAND **ONE**

को जारी किया गया।



Sd/-

( टी पी शमी )

उप कम्पनी रजिस्ट्रार  
DY Registrar of Companies

रा. रा. क्षेत्र दिल्ली एवं हरियाणा  
N. C. T. OF DELHI & HARYANA

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**INDIA EXPOSITION MART LIMITED**  
**(Incorporated under the Companies Act, 1956)**

1. **The name of the Company shall be INDIA EXPOSITION MART LIMITED.**
  2. **The Registered Office of the Company will be situated in the State of Delhi.**
  3. **The objects of the Company to be pursued on incorporation are:-**
- A. MAIN OBJECTIVES:**

To provide support to cottage industries, small scale industries and Small Medium Enterprises (SMEs) engaged in exports and to encourage, supplement and support their marketing efforts through long term planning and creation of support facilities. The priority areas will be creation of new opportunities/market and improvement in the existing marketing/export opportunities of the cottage sector and SMEs exporting units, efficient utilization of present potential of exporting small scale sector by creating a new concept of export marketing, development of the concept of round the clock international marketing through permanent contact point and to create a link between craft industries in Developing countries which have limited international marketing facilities and the consumer market of Europe and other developed nations, through organising exposition, exhibition, trade fairs or to provide such facilities to others on rental, license, contract and/or on lease basis, development of international network of marketing and product-development expertise, and to bring together buyers and sellers including their representative and agents from around the world throughout the year and any other activity to promote the above sectors, in particular Handicraft, Gift items, Carpets, Silk, Jute, Handloom, and other products having similar nature and to promote new products, languishing crafts, new items of crafts for exports, new exporters/new craftsmen entrepreneurs and to promote for the country design development to earn increased foreign exchange.

**B. OBJECTS ANCILLARY OR INCIDENTAL TO THE ATTAINMENT OF MAIN OBJECTS ARE:**

- (i) To undertake market studies in foreign countries regularly as well as on an adhoc basis.
- (ii) To send trade delegations/study teams to foreign countries.
- (iii) To appoint representatives or correspondents in foreign markets for the purpose of continuing and regular review of trends in prices, market preferences, other allied matters and constantly reporting thereon.
- (iv) To act as registering authority if so decided by the Central Government.
- (v) To propagate information useful to the Indian manufacturers and exporter (including, but not limited to, traders) in field of cottage industries, small scale industries & SMEs by seminars, lectures, discussions, books, correspondence or otherwise.
- (vi) To provide and regulate standards of quality including packing in respect of products of cottage industries, small Scale industries & SMEs engaged in export or intended for export.
- (vii) To maintain liaison with any organizations that may be set up for inspection of products of cottage industries, small scale industries & SMEs engaged in export or intended for export.
- (viii) To depute the officers, Members of the Company to witness the survey of products of cottage industries, small scale industries & SMEs engaged in export or intended for export, in India as well as abroad.
- (ix) To enquire, investigate and take remedial action on complaints received from foreign importers or Indian Exporters in respect of the quality, ' description or other particulars of products of cottage Industries, small scale industries and SMEs for exported, manufactured and exported from India and other connected matters.
- (x) To make' recommendations as may be necessary or expedient to the Central or State Government or Public bodies like Chambers of Commerce on the basis of Investigation of complaint received by the Company or otherwise in the interest of the present or future export of products of cottage industries, small scale industries & SMEs from India.

- (xi) To nominate arbitrators or valuers for the settlement of disputes and differences arising out of the transactions relating to the exports of products of cottage industries, small scale industries and SMEs for exports between parties who agree to refer their disputes to the arbitrator/surveyors so nominated by the Company.
- (xii) To communicate with Chambers of Commerce, other mercantile and public bodies within or outside India for the promotion and advancement of the Export of products of cottage industries, small scale industries & SMEs.
- (xiii) To enunciate equitable principles to govern the activities of cottage industries, small scale industries & SMEs for export and to establish a code of practices for the general guidance of exporters, manufacturers etc. and further to simplify transactions relating to the export of products of cottage industries, small scale industries and SMEs for exports.
- (xiv) To advise and/or represent to the Central or State Government, Local and other Authorities, on:
  - (i) Polices and other measurers, including direct and indirect taxation.
  - (ii) The steps to be taken by them to prevent any contravention of the code of practices laid down by the Company by any of the person concerned, where such contravention would affect the export of products of cottage industries, small scale industries & SMEs.

Provided that such advice or representation shall be only in so far as such policies or measures have a bearing directly or otherwise on the export of products of cottage industries, small scale industries & SMEs.
- / (xv) To establish and maintain museums, collections, libraries, compilations of literature and to translate; compile, collect, publish, lend, purchase or sell any literature connected with the trade and commerce relating to products of cottage industries, small scale industries & SMEs.
- (xvi) To plan, promote, liaise, co-ordinate, formulate schemes, proposals with other Central Public Sector undertaking having main, ancillary object of promoting exports of cottage Sector and SME exporting units. Also to enter into any agreement and to take all necessary or proper steps with government, any other authority or with PSUs in which the company may have interest in furtherance of the objective and interest of the Company.

- (xvii) To carry on the business of transportation, distribution of exportable products of cottage Sector and SME exporting units.
- (xviii) To purchase, lease, construct, build or otherwise acquire and develop godown and storage facilities and also engage in providing port facilities, terminals and also enter into Joint Venture, partnership facilities with other undertakings having identical objects.
- (xix) Subject to Section 293A of the Act to subscribe or guarantee money to any national, charitable, benevolent, public, general or useful object or for any exhibition, seminar.
- (xx) To promote, organise or carry on the business of consultancy services in any field of activity in which the Company is engaged in your connected therewith.
- (xxi) To pay all the costs charges and expenses, if any, incidental to the promotion, formation, registration and establishment of the Company and to the issue of its share capital and other costs incidental, ancillary for the establishment of the Company and issue of the capital.
- (xxii) To borrow money from the Central or State Government or Banks or financial institutions and accept donations, grants or contributions from the Central Government, State Government, or other public bodies or authorities or any other person and to deal with the same as the Company may deem appropriate in the furtherance of its objectives.
- (xxiii) To grant subsidies. Loans and advances to its employees or to the manufacturers or exporters or cottage industries, small scale industries & SMEs for exports, upon such terms and conditions as the Company may deem appropriate. To lend- money to such persons or Companies and on such terms as may seem expedient and in particular to its customers and other having dealings with the Company.
- (xxiv) To sell, improve, manage, develop, exchange, loan, sublet, mortgage dispose of or otherwise deal with all or any part of the property of the Company.
- (xxv) To enter into contracts, including guarantee.
- (xxvi) To draw, make, accept, endorse, discount, and execute negotiable instruments.

- (xxvii) To deposit invest the money at-the Company in any bank or any other institution as the Company may deem fit.
- (xxviii) To subscribe to or to become a member of or to co-operate with any other Association whether incorporated or not, whose objects are, similar to those contained in this Memorandum.
- (xxix) To do all such other lawful acts as may be conducive for the maintenance and increase of the export of cottage industries, small scale industries and SMEs for exports or which are incidental to the attainment of the above objectives.
- (xxx) To construct, purchase, hire or otherwise acquired and maintain suitable buildings, apartments, furniture and other fittings any country for the establishment of show-rooms, export or other agencies for publicity or for the purpose of achieving any of the objects for which the Company is established.
- (xxxi) To acquire, purchase, or take on lease land, building or other movable or immovable property, which the company may from time to time deem it necessary to acquire, purchase or take on lease.
- (xxxii) To establish and maintain links between exporters and agencies connected with export.
- (xxxiii) To provide a platform to the export industry for unity/cooperation through various supporting facilities such as club, guest house, business centre, information/technology centre, amphitheater, cyber cafe, parks, parking, police post, fire post, bank, auditorium, post office, public utilities, and other similar facilities.

**C. OTHER OBJECTIVES:**

- i. To establish in India specific integrated approach which is lacking as currently marketing efforts of Indian exporters are driven by individual relationship.
- ii. To fulfill and to meet urgent need for India specific cottage sector initiative that would attract importers, their representatives and/or buying agents to India.
- iii. To act as a nodal point/agency where foreign buyers can meet cottage sector exporters round the year and where periodic exhibitions and fairs could be organised.

- iv. To bring together international buyers & sellers throughout the year and create new marketing opportunities for cottage sector by facilitating and encouraging participation in international fairs.
- v. To create aggressive international marketing strategy through strengthening in individual export efforts of manufactures, artisans, craftsmen, exporters a service providers.
- vi. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes for the attainment of any of the objects or the furtherance of any of the powers herein before set forth either alone or in association with other co-operative bodies, firms or individuals and to do every other act or acts thing or things incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part of parts thereof, provided the same are not in consistent with the laws of the country.
- vii. To fill in the gap that exists due to inadequate infrastructure especially in the remote craft pockets.
- viii. To achieve a quantum jump in the export earnings with the enhanced flow of trade.

The objects of the Company extend to the whole of Union of India.

**4. The liability of the members is limited.**

- \*5. The Authorised share capital of the company is Rs. 100,00,00,000 (Rupees Hundred Crores) only divided into 10,00,00,000 (Ten Crores) Equity Shares of Rs. 10 (Rupees Ten) each.**

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\* 1) Capital Clause was first amended as per Resolution passed by the company in its 3rd Annual General Meeting held on 29th September 2004 from Rs. 35,00,00,000 to Rs. 50,00,00,000.

\*\* 2) Further amended as per Ordinary Resolution passed by the company in its 18th Annual General Meeting held on 26th September 2019 from Rs. 50,00,00,000 to Rs. 100,00,00,000.

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 or witnesses
Ashok Boob S/o Mishri Lal Boob Laxmi Bhawn, Flate-12 D Road Marine Drive Bombay - 400020 Business	12500 Equity Shares	Sd/-	<p>I witness the signatures of all the subscribers</p> <p>Sd/- D.K. KAPILA S/o Late Sh. A.K. KAPILA Chartered Accountant, Membership No. 16905 C/o M/s Jain Kapila Associates 3000, Bhagat Singh Street 2<sup>nd</sup>, Paharganj, New Delhi-110055</p>
Omprakash Prahladka S/o Late K. L. Prahladka 1,B.K. Paul Avenue Calcutta - 700005 Business	12500 Equity Shares	Sd/-	
Kamal Chandra S/o Late Sri R.C. Agarwal Sriram Colony, Civil Lines Moradabad - U.P. Business	12500 Equity Shares	Sd/-	
Sudhir Kumar Tyagi S/o Shri S. S. Tyagi 88, Shiv Puri, Rampur road Moradabad Business	12500 Equity Shares	Sd/-	
Navratan Samdria S/o Sh. Parsan Mal Samdria E-68, G. K. II New Delhi Business	12500 Equity Shares	Sd/-	
Ravi Kumar Passi S/o' M. R. Passi E-11, Panchsheel Park New Delhi - 17 Business	12500 Equity Shares	Sd/-	
Rakesh Kumar S/o Late Sh. B. R. Sharma 41-A, UNA Enclave Mayur Vihar, Phase-I Delhi - 110091 Service	1100 Equity Shares	Sd/-	
Total	76,100 Equity Shares		

Place: New Delhi Dated: 26th day of March, 2001



(THE COMPANIES ACT, 1956)

**ARTICLES OF ASSOCIATION**  
**OF**  
**INDIA EXPOSITION MART LIMITED**  
**PRELIMINARY**

1. Save as otherwise provided in the Article of Association, the provisions of Companies Act, 1956 read with Table "A" as amended from time to time shall apply to the Company.

**INTERPRETATION**

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

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

In the interpretation of these Articles, the following words and expressions shall have the following meaning unless repugnant to the meaning or context thereof.

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

"Exposition" means exhibition halls that shall include pavilions, exhibition halls, office related to administration and maintenance of the complex, soft drinks and snack stalls, ticket booth, utility installation like business centre, information/technology centre amphitheater cyber cafe, parks, parking, police post, fire post, bank, Auditorium, post office or any other similar facilities.

"The Company" means INDIA EXPOSITION MART LIMITED. It is a public limited company within the meaning of Act.

"Mart" shall include show rooms and show cases.

"Gender" words importing the masculine gender also include, where the context requires or admits, the feminine gender.

"Support Services" shall include restaurants, guest house, club or any other similar facilities.

"The Directors" means the Directors for the time being of the Company or as the case may be the Directors assembled at a meeting of the Board or acting by circular under the Articles of Association of the Company.

"Chairman" means the Chairman for the time being of the company to preside over the meetings of the Company.

"Managing Director" means the Managing Director for the time being of the Company.

"Secretary" means any individual having requisite qualification and appointed to perform the duties that may be performed by a Secretary under the Act and other purely ministerial or administrative duties.

"Individual Shareholder" means a shareholder for the time being holding equity shares and having his name on the register of shareholders.

"Institutional Shareholder" means a shareholder holding shares in the capacity of an organisation having its name on the register of shareholders.

"The Office" means the Registered Office for the time being of the Company.

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

"The Registrar" - means the Registrar of Companies of the State in which the Registered office is situated.

"Dividend" includes bonus.

"Month" means English calendar month.

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

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

"Seal means the Common Seal of the Company,"

"Auditors" means and includes those appointed as such for the time being by the Company in terms of provisions of the Companies Act, 1956.

"Alter & Alteration" shall include the making of additions and deletions.

"In writing" and "Written" includes printing, lithography and other modes of representing or reproducing words in visible form. Words importing the singular number only include the plural number and vice versa.

Words importing persons include corporation, individual, firm and association.

"Company's regulations or "These presents" or "The Articles" means these Articles of Association as Originally framed and registered or as altered from time to time by Special Resolution.

## **CAPITAL**

3. The Authorised Share Capital of the Company is as stated in the clause "V" of the Memorandum of Association or altered, from time to time, subject to the provisions of the Act and to divide the Shares in capital for the time being into several classes

of shares and to attach thereto any special rights, privileges conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the regulations of the Company. Minimum paid up capital of the Company shall be Rs. five lakhs.

### **SHARE**

4. Subject to the provisions of these Articles and Section 80 of the Act, the Company shall have power to issue preference shares, which are or at the option of the Company are liable to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.
5. Subject to the provisions of these Articles the shares shall be under the control of the Board of Directors who may allot or otherwise issue the same to such persons on such terms and conditions, at such times, either at par or at a premium, for such time and for such consideration as the Directors think fit. Directors have power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise, provided that where the Directors decided to increase the issued capital of the Company by the issue of further shares, the provisions of Section 81 of the Act will have to be complied with. The Directors with the sanction of the Company in General Meeting shall have full power to give any person option or right to call for shares either at par or at a premium, and for such period, and for such consideration as the Directors think fit.
6. The company may issue shares to public in accordance with the provisions of the Act and SEBI guidelines as for the time being in force.' In this connection the company shall make necessary application for listing the shares with the stock exchange of Delhi, Mumbai, Chennai, Kolkata, National Stock Exchange etc.
7. Allotment of shares, from time to time, shall be made in accordance with the provisions of section 75 of the Act.
8. The company may subject to compliance with the provision of Section 76 of the Act, exercise the power of paying commission on the issue of shares and debentures. The Commission may be satisfied by the payment of cash or allotment of fully or partly paid shares or by issue of debentures or debenture stock in the company or partly in the one way and partly in the other.
9. The Company may, on any issue of shares pay a reasonable sum for brokerage, which may be lawful.
10. The company has power to issue shares at a discount in terms of provisions of section 79 of the Act.
11. If, by the conditions of allotment of any share, the whole or part of the amount or issue-price thereof shall be payable by installments, every such installments shall,

when due, be paid to the company by the person who for the time being shall be the registered member in respect of the share or by his executor or administrator.

12. Except as, required by law, no person 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, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
13. The company shall have power to buy-back its own shares or other specified securities subject to the provisions of section 77 A, 77 AA, 77B of the Act.

### **CERTIFICATES**

14. (a) The Certificates of title to shares shall be issued under the seal of the Company. A certificate may be renewed or a duplicate of a certificate may be issued subject to the provisions of Section 84 of the Act and rules prescribed there under.
  - (b) The company shall provide Demating facility to shareholders on chargeable basis if required by the members.
15. Every member shall be entitled to, free of cost, one or more certificates for all the shares of each class registered in his name in marketable lots, or if the Board so approves to several certificates each for one or more of such shares, but additional certificates may be issued on payment of such fee not exceeding Re. 1/- (Rupee One) and on such terms as the Directors think fit.
16. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding [one rupee], and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the company in investigating evidence, as the directors think fit.

### **JOINT HOLDERS OF SHARES**

17. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions and to the other provisions of these Articles relating to joint holders :-
  - (a) The Company shall not be bound to register more than four persons as the joint holders of any share.
  - (B) The joint holders of a share shall be liable severally as well as jointly in respect of any payment, which ought to be made in respect of such share.

- (c) On the death of anyone such joint holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit.
- (d) In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.

### **CALLS**

- 18. The Board of Directors may, from time to time, subject to the terms on which any share may have been issued and subject to Section 91 of the Act, make such calls as they think fit upon the members in respect of any moneys unpaid on their shares (whether on account of nominal value of shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the company at the time or times and place(s) appointed by the Directors. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising call was passed and may be required to be paid by installments.
- 19. No call shall be made payable within one month from the date fixed for the payment of last preceding call. Not less than thirty days notice of any call shall be given specifying the time or times and place(s) of payment to the company.
- 20. If the sum payable in respect of any call or installment 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 the payment thereof to the time of the actual payment at twelve percent per annum or at such other rates as the Board of Directors may determine. The Board of Directors shall be at liberty to waive payment of any such interest wholly or in part.
- 21. Any sum which by the terms of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purpose of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum become payable.

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 as sum had become payable by virtue of a call duly made and notified.

- 22. On the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due 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 Shareholders of the Company as a holder, or one of the holders, of the shares in respect of which such claim is due and the amount claimed is not entered as paid in books of the

Company. It shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the meeting at which call was made nor that meeting at which such call was made duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

23. The Board of Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any share held by him and upon all or any of the moneys so advanced, may (until the same would but for such advance, become presently payable) pay interest at such rate, as may be agreed upon between the Board and the member paying the sum in advance. The Directors may at any time repay the amount so advanced upon giving to such member three months notice in writing. Monies paid in advance shall not confer a right to dividend or to participate in the profits of the Company.
24. A call may be revoked or postponed at the discretion of the Directors.

#### **FORFEITURE OF SHARES**

25. If any members fails to pay any call or installment of a call before or on the day appointed for the payment thereof the Board of Directors may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on such member requiring him to make payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and expenses that may have been incurred by the company by reasons of such non payment
26. The notice aforesaid shall name a further day (not being earlier than the expiry of thirty days from the date of service of the notice) and a place or places on or before which the payment required by the notice is to be made. The notice shall also state that in the event of non payment on or before the day so named, at the place appointed, the shares in respect of which call was made or instalment is payable will be liable to be forfeited.
27. If the requirements of any such notice as aforesaid are not complied with; any Shares in respect of which such notice has been given may, at any time thereafter, before the payment of calls or installment, interest and expenses has been made, be forfeited by a resolution of the Board of Directors to that effect, Such forfeiture shall apply to all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture subject to section 205 of the Act. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares either by way of principle 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 provided in these presents.
28. On the forfeiture of any share notice of the same 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 such forfeiture shall

not be invalidated by any omission to give such notice or to make such entry as aforesaid.

29. A forfeited share shall be deemed to be the property of the Company and the same may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board of Directors thinks fit.
30. The Board of Directors may, at any time before a sale, re-allotment or otherwise disposal of forfeited share, cancel or annul the forfeiture on such terms and conditions as it thinks fit.
31. A person whose share have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all moneys (i.e, calls, instalments, interest and expenses etc.) which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. The Director may enforce payment thereof without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. The liability of such person shall cease if any when the company shall have received payment in full of all such money in respect of the shares.
32. The forfeiture of a share shall lead to the extinction of all interests in, claims and demands against the company in respect of the share and all other rights incidental to the share, except the rights, which are expressly saved by these Articles.
33. A duly verified declaration in writing that he declarant is a director, [the managing agent, the secretaries and treasurers], the manager of the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

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 favor of the person to whom the share is sold or disposed of.

The transferee shall thereupon be registered as the holder of the share.

The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The Company shall have a first and paramount lien upon all the shares (other than fully paid shares), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of such shares and on all shares (not being fully-paid shares) standing registered in the name of person (whether solely or jointly with others), for all moneys presently payable by him or his estate to the company.

No equitable interest in any share shall be created except upon the footing and condition that these Articles shall have first charge and full effect. The company's

lien, if any, on a share shall extend to all dividends and bonuses payable thereon. 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.

35. The Company may, sell, in such manner as the Board thinks fit, any share on which the Company has a lien:

Provided that no sale shall be made –

- (a) unless a sum in respect of which the lien exists is presently payable, or
  - (b) Until the expiration of thirty days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exist 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.
36. (1) To *give* effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (3) The purchaser shall not be bound to see to 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.
37. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently "payable".
- (2) The residue, if any, shall, subject to a like lien for sums not "presently payable" as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
38. Where any shares is sold by the Directors under the provisions of these presents and the certificate thereof has not been delivered to the company by the former holder of the said shares, the Directors may issue a new certificate: for such share distinguishing it in such manner as they may think fit from the certificate not so delivered. Where, in any such case, the certificate in respect of the share forfeited and/or sold is not delivered, and a new certificate for such share has been issued, the original certificate shall be treated as cancelled and no claim or title based on such certificate shall be binding on the Company.

### **TRANSFER AND TRANSMISSION**

9. (i) Subject to the provisions of the Act, no transfer of shares 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 which is in existence, along with the Letter of Allotment of shares.

The instrument of transfer of any shares shall be in writing, in the prescribed form and shall be executed both by the transferor & the transferee. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Each signature of such transfer shall be duly attested by the Signature of one creditable witness who shall add his address and occupation.

- (ii) The instrument of transfer shall be in writing. All the provisions of Section 108 of the Companies Act, 1956 and any other statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.
40. Application for the registration of the transfer of shares 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 shares be effected unless the company gives notice of the application to the transferee in the manner prescribed under Section 110 of the Act. 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 of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
41. Before registering any transfer tendered for registration the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and unless objections are taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within fifteen days from the posting of such notice to him he shall be deemed to have admitted the validity to the said transfer. Where notice is received by the registered holder in any other way the Company shall be deemed to have decided not to give notice and in such event the non-receipt by the registered holder of any notice shall not entitle him to make claim of any kind against the Company in respect of such non-receipt.
42. Neither the Company nor its Directors shall incur any liability for registering or acting upon a transfer of shares apparently made by genuine parties, although the same may, by reason of any fraud or other cause not known to the company or its Directors be legally inoperative or insufficient to pass the property in the shares proposed or proposed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the share transferred, or otherwise in defective manner. In every such case the person registered as transferee, his executors, administrators and survivors alone shall be entitled to be recognised as the holder of such share and the previous holder shall so far as the Company is concerned be deemed to have transferred his whole title thereto.

43. Subject to the provisions of Section 111 of the Act, the Board may, without assigning any reason for such refusal, within two months from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of a share on which the Company has lien. The Board may also refuse to register the transfer of a share to a transferee of whom the Board does not approve.

Provided that registration of a 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 a lien on shares.

44. No transfer shall be made to a minor or to person of unsound mind.
45. Every instrument of transfer shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Director may require to prove the title of the transferor to make the transfer. Thereafter the transferee shall be registered as a member in respect of such shares. The Directors may waive the production of any certificate upon evidence satisfactory to them of its loss or destruction.
46. The Company shall retain all instruments of transfer, which shall be registered.
47. If the Directors refuse to register the transfer of any shares, the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal.
48. On giving 21 day's previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated, the Transfer Books and Register may be closed during such time as the Directors think fit, but such period shall not exceed on the whole forty-five days in each year and thirty days at a time.
49. The executors or administrators of a deceased member (not being one of several joint-holder) 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 anyone or more joint-holders of any shares, the survivors shall be the only, persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator, the Directors may require him to obtain a Grant of Probate or letters of Administration or other legal representation as the case may be, from some competent Court. Provided that in any case where the Directors in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of Probate or Letters of Administration or such other legal representation on such terms as to indemnity or otherwise as the Directors, in their absolute discretion may consider necessary.
50. (a) Any committee or guardian of a lunatic or minor member or any person becoming entitled to transfer of shares in consequence of the death,

bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he purports to Act under the Articles, or of his title as the Directors think sufficient may with the consent of the Directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares, or may subject to the regulations as to transfer, hereinbefore contained, transfer such shares. This Article is hereinafter referred to as "The Transmission Article".

- (b) If the Directors find that any shareholder is acting in derogation of or detriment to the interest of the Company, the Board of Directors may call upon such shareholder, after affording opportunity of being heard, to sell his share or shares to any of the members of the Company or any other person as approved by the Board, at such price as the Auditors of the Company may consider to be fair and reasonable.
  - (c) Unless the Directors rescind a resolution passed in pursuance of the fast preceding sub-clause. such resolution shall be binding on the shareholder concerned and on the price of his shares at the rate or rates fixed by the Auditors being tendered to him, he shall forthwith cease to be a shareholder of the company and the share or shares standing in his name shall be transferred to any member of the Company or other person as approved by the Board.
  - (d) For the purpose of the last preceding sub-clause a tender shall be deemed to have been validly made if a notice is given to the shareholder concerned either by service or by post or advertisement that he may receive his amount due to him (viz., the price less any money that may be due from him to the Company if the Directors choose to exercise the right of lien) from the Company's Bankers, Solicitors or Auditors (as may be specified) in exchange for the relative share script or scripts. Such share script or scripts shall cease to be valid except for being and until transferred to any member of the Company or person approved by the Board specified.
  - (e) A person or persons in regard to whom the Board of Directors has passed a resolution in pursuance of the preceding sub clause (b) of this clause shall not be entitled to act as the proxy or constituted attorney of any other shareholder of the Company.
  - (f) If a shareholder fails or neglects to deliver the share script or scripts in pursuance of the notice referred to in the preceding sub-clause (d), the Directors may cause necessary entries to be made in the register of the Company to cancel such script or scripts and may take steps for the issue of fresh script or scripts in place thereof.
51. (1) If the person so becoming entitled elect to be registered himself as holder Of the share, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

- (2) If the person aforesaid elect to transfer the share, he shall, testify his election by executing an instrument of transfer of the share.
  - (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of an instrument of transfer 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
52. 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 were the registered holder of the share, except 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 ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

#### **INCREASE AND REDUCTION OF CAPITAL**

53. The company may from time to time, by ordinary resolution increase the share capital by the issue of new shares' of such amount as may be specified in the resolution and such new share may be issued even if the original share capital of any class has not been fully subscribed or paid up.
54. The new shares shall be issued on such terms and conditions carrying such rights and privileges as specified by resolution in the General Meeting. If no direction is given, the Directors shall determine terms and conditions to issue shares. Such shares may be issued with a preferential or qualified right to dividends and in the distribution under the act and shall not, except as regards the preference shares, deemed to modify the rights of any existing class of shareholders.
55. The Company in General Meeting may, before the issue of any new shares, determine that the same or any of them shall be offered, in the first instance, either at par or at premium, to all the existing members of any class thereof in proportion to the amount of the capital held by them or make any other provision to the issue and allotment of the new shares, but in default of any such determination or otherwise, the new share may be dealt with as if they formed of the shares in the original capital.
56. Except so far as otherwise provided by the conditions to issue new shares under these presents, any capital raised by further shares shall be considered part of the existing capital and shall be subject to the provisions herein contained with reference

to the payment of calls and installments, transfer and transmission, forfeiture, lien and otherwise.

52. If owing to any inequality in the number of shares to be issued and the number of shares held by members entitled to have the offer of such new shares any difficulty arises in the apportionment of such further shares or any of them amongst the members, such difficulty shall, in the absence of directions specified in the resolution of General Meeting of the company, be determined by the Board of Directors.
53. The Company may from time to time by special resolution reduce its capital by paying off capital, or canceling capital which has been lost or is not represented by available assets or reducing the liability on the share or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called-up -again or otherwise. Paid-up capital may be cancelled as aforesaid without reducing the normal amount of the shares by the like amount to the intent that the unpaid and callable capital shall be increased by the like amount.

#### **ALTERATION OF CAPITAL**

54. The Company by ordinary resolution may, from time to time, alter the conditions of the Memorandum of Association that is to say: -
  - (a) Increase its share capital by the issue of new shares of such amount, as it thinks expedient.
  - (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (c) Convert all or any of its fully paid-up shares into stock and re-convert any stock into paid-up shares of any denomination.
  - (D) Sub-divide its existing shares or any of them into shares of smaller amount 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.
  - (e) Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken up or agreed to be taken up by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
55. The resolution whereby any share is sub-divided may determine denomination and distribution thereof between the members registered in respect of the original shares sub-divided. One or more of such shares shall have same preferences or special advantage as regards dividend, capital, voting or otherwise over or as compared with the other of others subject nevertheless to the provisions of sections 85, 87, 88 and 106 of the Act.

61. Subject to the provisions of Section 100 to 105 of the Act. The Directors may accept from any member the surrender of shares on such terms and conditions as shall be agreed by all or majority of them.

### **CONVERSION OF SHARES INTO STOCK**

62. The Company may exercise the power of conversion of its shares into stock and vice-versa and in that case Clauses 36 to 39 of Table 'A' to Schedule-I of the Act shall apply.

### **SHARE WARRANTS**

63. Subject to the provisions of Sections 114 and 115 of the Act and subject to any direction which may be given by the Company in general meeting, the Directors may issue share warrants in such manner and on such terms and conditions as the Directors may deem fit. In such case clauses 40 to 43 of Table 'A' to schedule-I of the Act shall apply.

### **MODIFICATION OF RIGHTS**

64. Where the capital is divided into different classes of shares, all or any of the rights and privileges attached to each class may be varied subject to the provisions of Sections 106 and 107 of the Act. All the provisions hereinafter contained relating to the General Meeting shall mutatis mutandis apply as regards meetings, if any, to be held for the purpose but so far as the necessary quorum is concerned it should be two persons at least holding or representing by proxy one third of the issued shares of that class.

### **BORROWING POWERS**

65. Subject to section 58A, 292, 293 and 370 of the Act, and regulations made there under and directions issued by the Reserve Bank of India, the directors may from time to time at their discretion borrow or secure the payment of any sum or machinery or other movable or immovable properties under Hire Purchase agreement or otherwise for the purpose of the Company, subject to provisions of Act. either from any Director and/or Industrial Finance Corporation of India, Industrial Development Bank of India. State Finance Corporation and/or State Aid to Small Industrial Corporation, and/or National Small Industries Corporation and/or Industrial Credit and Investments Corporation and/or Central or State Industrial Development Bank and/or Life Insurance Corporation of India and/or Indigenous and/or Foreign Government and/or Semi-Government Agencies, Bank, Authorities and Institutions and/or other persons, firms or Companies on security or otherwise and may secure the repayment of any sum or sums in such manner and upon such terms and conditions in all respect as they think fit, and in particular by the creation of any mortgage or charge on the whole or any part of the property, both present or future or its uncalled capital of the Company or by the issue of debentures or debenture-stock of the Company perpetual or redeemable and the Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred

by or on behalf of the Company or any interest payable thereon and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors. The Directors have power to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the Company or on any of its property or assets or otherwise.

66. Any debenture, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawing, allotment of shares, attending General Meeting of the Company, 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. Debentures, Debenture-stock, Bonds or other securities with a right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
67. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered under a proper instrument of transfer duly stamped and executed by the transferor and transferee and has been delivered to the Company together with the certificate or certificates to the debentures.

#### **GENERAL MEETING**

68. The Board of Directors may, whenever they think fit, call an Extra Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the Directors present in India may call an Extra-Ordinary General Meeting in the same manner as nearly as possible, as that in which such a meeting may be called by the Board of Directors
69. 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. The five or more members present in person or by duly authorised representatives shall form a quorum.
70. Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shan. be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or these Articles specifically require such act to be done or resolution to be passed by a special resolution.
71. The Chairman of the Board of Directors shall be entitled to take the Chair at every General Meeting or if at any meeting he is not present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman of the meeting, the members present shall choose another Director as Chairman and if no Director is present shall choose one of their member being a member entitled to attend and vote to be Chairman of the meeting.

72. If within half-an hour from time appointed for the meeting a quorum not present, the meeting if convened upon a requisition such shall be dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting a quorum is not present, those members who are present not being less than two shall be a quorum and may transact the business for which the meeting was originally called.
73. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by members holding not less than one-tenth of the total issued capital which carries voting rights, and unless declared by the chairman that resolution had on a show of hands been carried or carried unanimously, or by particular majority and an entry to that effect in the book of the proceedings of the Company, shall be conclusive evidence of the fact.  
In the case of an equality of votes the Chairman shall, either on a show of hands or at a poll, have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.
74. if poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the Chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The person or persons who made the demand may withdraw the demand of a poll at any time prior to resolution is passed.
75. The Chairman of a General Meeting may with the consent of the meeting at which a quorum is present 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.
76. Any poll demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith or without adjournment. Further, when a meeting is adjourned for less than 30 days it shall not be necessary to give any notice of an adjournment or of the business to be transacted at the adjourned meeting.
77. If a poll is demanded the demand of a poll shall not prevent the continuance of a meeting for the transaction of business other than the question on which a poll has been demanded.
78. (a) On a show of hands every member present in person and being a holder of Equity Shares shall have one vote and upon a poll every member present in person or by proxy shall have his voting right as laid down under Section 87 (1) (b) of the Act provided that no Member of Company shall vote by proxy so long a resolution of its directors under the provisions of Section 187 of the Act is in force. Preference shares whether redeemable or otherwise shall confer

the right of vote only when the dividend on such shares is in arrears for not less than two years or when any resolution is proposed for reducing capital of the Company or for winding up of the Company or for directly effecting the interest of holders of such shares as a class as regards dividend, return of capital or voting. Upon any question which entitles the holders of Preference shares whether redeemable or otherwise to vote, those shares will confer one vote on each shareholder.

- (B) The holder of shares on which any calls are in arrears shall not be entitled to any voting right.
  - (c) Where a body corporate is member of the Company, it would be represented at the meeting of the Company in the manner laid down under Section 187 of the Act.
79. Any person entitled under the transmission Articles to transfer any shares may vote at any General Meeting in respect thereof in same manner as if he was 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 propose to vote he shall satisfy the Directors of his right to transfer such shares or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. In case of 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 hand or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
80. Where there are joint registered holders of any shares, anyone of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he was solely entitled either to; and if more than one of such joint holders are present at any meeting either personally or by proxy, then one of the said persons so present whose name stand first on the Register in respect thereof, several executors or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed as joint holders thereof.
81. Votes may be given either personally or by proxy, or in the case of a member company, by a representative duly authorised as aforesaid.
82. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its attorney. A proxy who is appointed for a specified meeting only shall be called a Proxy.
83. A person may be appointed as proxy whether he is member or not of the Company and every notice convening a meeting of the Company shall state that a member is entitled to appoint a proxy to attend and vote at meeting instead of himself and the proxy need not be a member of the company.

84. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power of attorney, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or 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 as valid.
85. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or the authority under which the was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company as its office before the commencement of the meeting or adjured meeting at which the proxy is used.
86. Every instrument appointing a Proxy shall as nearly as circumstance admit be in any of the forms set out under Schedule IX of the Act.
87. No member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at general meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares held by such member or in regard to which the Company has, and has exercised any right of lien.
88. (1) Any objection as to the admission or rejection of a vote on a show of hands, or on a poll made in due time shall be referred to the Chairman who shall forthwith determine the same and such determination shall be final and conclusive.  
  
(2) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at such meeting shall be valid for all purposes.
89. Any resolution passed by the Directors, notice whereof shall be given to the members in the manner in which notice are hereinafter directed to be given and which shall, within one month shall be ratified and confirmed in writing by member entitled at a poll by three-fourth of the votes, shall be as valid and effectual as a resolution of a General Meeting but this clauses shall not apply to resolution for winding up the Company or to a resolution passed in respect of any matter which by the statutes of these presents ought to be dealt with by special or extraordinary resolution.

## **DIRECTORS**

90. The business of the company shall be managed by the Board of Directors.
91. First directors shall be the subscribers of the memorandum.

92. (i) \*The number of directors shall not be less than three and not more than twenty one, subject to the approval of Central Government (Department of Company Affairs), \*\*out of which not less than two third shall be retiring Directors in accordance with Section 255 of the Act and remaining shall be non retiring Directors. One third of the Directors for the time being liable to retire by rotation shall retire from office every year in accordance with Section 256 of the Act.
- (ii) Mr. Navratan Samdaria and Mr. Rakesh Kumar shall be non-retiring directors of the company. (Non-retiring directors are those whose period of office is not liable to determination by retirement of directors by rotation).
- \*\* (iii) The Non retiring directors shall include two nominee directors of Ministry of Textiles, Government of India and two nominee directors of Greater Noida Industrial Development Authority (U.P.) (GNIDA).
93. The office of the Chairman shall be held by one of the Directors who have been elected amongst the individual shareholders. The provisions of this regulation shall mutatis mutandis apply to the office of Managing Director.
94. (a) Mr. Navratan Samdaria shall hold office of the Chairman of the Company initially for five years.
- (b) Mr. Rakesh Kumar shall hold office of Managing Director of the Company initially for five years.
95. A nominee director representing a Ministry of the Government of India, Greater Noida Authority (U.P.), Financial Institutions etc., shall cease to be the Director of the Company on his ceasing to be an official of the nominating authority.
96. The Board of Directors shall have power at any time and from time to time to appoint any person as an additional Director. But the total number of Directors shall not at any time exceed the maximum numbers fixed by the Articles. Such appointment shall not be effective unless two thirds of the Directors concur there in, any Directors so appointed shall hold until the next/annual general meeting of the Company and shall then be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
97. The Directors are not required to hold any qualification shares in the Company.
98. (i) Subject to Sections 198, 309, and 310 of the Companies Act, remuneration, if Any, payable by the Company to each director whether in respect of His service as a Managing Director or whole time or part time director of the Company shall

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\* Amended as per special resolution passed in Extra Ordinary General Meeting held on 1<sup>st</sup> June, 2001 and as approved by Department of Company Affairs, Government of India vide its letter Number 4/9/2001-CL.VII dated 23.08.2001.

\*\* Amended as per special resolution passed in Extra Ordinary General Meeting held on 26<sup>th</sup> November, 2001.

be determined in accordance with and subject to the provisions of these articles and the Act.

- (ii) The Director may be paid, all travelling, hotel and other expenses properly incurred by them: -
  - (a) In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) In connection with the business or the company.

Directors are also entitled to fee for attending meeting subject to the provisions of Act.

- 99. If any Director, being willing, called upon to perform extra services or to make any special exertions for the purposes of the Company or is giving special attention to the Company as a member of the Committee or Director or otherwise the Company may pay him additional remuneration, if any, subject to such sanctions and approvals, as may be required under the Act.
- 100. The continuing Directors may act notwithstanding any vacancy in the Board, but, if and so long as their number is reduced below the minimum number, the Directors shall not act except for the purpose of increasing the number of Directors or of summoning a general meeting of the company.
- 101. Subject to the provisions of Section 297 of the Companies Act, a Director shall neither be disqualified from contracting with the Company either as vendor or purchaser or otherwise for goods, materials or services or for undertaking 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 in which such Director is a member or Director be void, 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 such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
- 102. Any casual vacancy occurring among the Directors may be filled up by the Board of Directors, but any person so selected shall retain his office so long as the vacating director would have retained the same if no vacancy had occurred. Provided that the Directors shall not fill a casual vacancy by appointing any person who has been removed from the office of the Director of the Company.
- 103. Subject to the provisions of the Act, the Central Government or any State Government or Credit Institutions if so agreed between them and the Company, shall be at liberty to nominate Directors in terms of such agreement.
- 104. The Directors may appoint an alternate Director to act for Directors in the circumstances and according to the provisions contained in Section 313 of the Act.

105. The Director of the Company may become the 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 Director or member of such Company subject to the provisions of Sections 297 to 299 of the Companies Act, 1956.
106. If at any time the Company obtains any loans from any financial institution referred to in this Article as "The Corporation" or enters into undertaking or arrangement with the corporation and if in terms of such loan the Corporation shall have the right to appoint one or more Directors to the Board of the Company, then subject to the terms and conditions of such loan, the Corporation shall be entitled to appoint one or more Director as the case may be to the Board of the Company and to remove from office any Director so appointed and to appoint another in his place or in the place of a Director so appointed who resign or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be signed by the Corporation or by any person duly authorised by it and shall be served at the office of the Company. The director or directors so appointed neither shall be liable to retire by rotation in accordance with the provisions of these Articles and the Companies Act.
107. Retiring Directors shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.
108. If at any meeting at which election of Directors ought to take place, the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill up the vacancy, the retiring director shall be deemed to have been appointed in adjourned meeting in accordance with the provisions of section 265 of the Companies Act, 1956.

#### **PROCEEDING OF BOARD**

109. The Board of Directors may meet for the Dispatch of business, adjourn and otherwise regulate its meeting and proceedings as it think fit. Notice in writing of every meeting of the Board of Directors shall ordinarily be given by a Managing Director or such other officer of the Company duly authorised in this behalf to every Director for the time being in India at his usual address in India.
110. The quorum for a meeting of the Directors shall be determined from time to time in accordance with provisions of Section 287 of the Act. If quorum is 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 Directors present shall decide.
111. Subject to the provisions of Sections 316, 372(5) and 385 of the Act, questions rising at any meeting shall be decided by a majority of votes and in case of equality of votes the Chairman shall have a second or casting vote.
112. The person named in the article shall continue as Chairman of the meeting of board. If at any meeting of the Directors, the Chairman is not present, within fifteen minutes

of the time appointed for holding the same, Directors present shall choose one of them to be the Chairman of such meeting.

113. A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretion's by or under the Articles of the Company for the time being vested in or exercisable by the Board of Directors generally.
114. The Board of Directors may from time to time subject to the provisions of the act delegate any of their powers to committee consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated; conform to any regulations that may from time to time, be imposed upon it by the Directors.
115. The meeting and proceedings of any such committee consisting of two or more members shall be governed by provisions herein contained for regulating the meeting and proceedings of the Directors so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors under the last proceedings and Article of Association.
116. All acts done by any meeting of the directors or by a Committee of Directors or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after the appointment of such Director has been shown to be invalid.
117. A resolution may be passed by the Board or Committee thereof by circulation in accordance with the provisions of Section 289 of the Act.

### **POWER OF DIRECTORS**

118. The business of the Company shall be managed by the Board of Directors, who may pay all expenses incurred in getting up and registering the Company, and may exercise all such powers of the Company as are not in the violation of the Act or any statutory modifications thereof for the time being in force or which are not restricted by these Articles and not required to be exercised by the Company in general meeting, subject nevertheless to any regulation of these articles and to provisions of the said Act, and to such regulations being not consistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which should have been valid if that regulation had not been made.
119. (i) Without prejudice to the general powers conferred by proceeding Articles, the Board of Directors may from time to time and subject to the restrictions contained in articles, delegate to any of the Directors, employees or other

persons including any firm or anybody corporate any of the powers for the time being vested in the Board of Directors.

- (ii) All deeds, agreements and documents and all cheques, promissory notes, drafts, hundies, bills of exchanges and other negotiable instrument and all receipt for moneys paid to the Company shall be signed, drawn, accepted or endorsed or otherwise executed as the case may be, by such persons (including any firm and body corporate) whether in the employment of the Company or not and in such manner as the Board of Directors shall from time to time determine.
120. The Board of Directors may make such arrangements as may be thought fit for the management of the Company's affairs abroad and may for this purpose (without prejudice to the generality of their powers) appoint local bodies and agents and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The common seal shall be the affixed by the authority and in the presence of such persons as the Board of Directors shall appoint from time to time, in writing. The company may also exercise the power of keeping register.
121. The Board of Directors shall cause minutes to be duly entered in books provided for the purpose: -
- (a) of the names of the Directors present at each meeting of the Board of Directors and of any Committee of Directors.
  - (b) of all orders made by the Board of Directors or Committee of Directors.
  - (c) of all resolutions and proceedings of General Meeting and of meetings of the Board of Directors and Committee.

And any such minutes of any meeting of the Directors or of any committee or of the Company, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meetings in accordance with Section 193 of the Act, shall be prima facie evidence of the matters stated in such minutes.

122. (i) The Board of Directors may subject to the provisions of the Act appoint a General Manager or Managing Director and Secretary for such terms, at such remuneration and upon such condition as they may think fit and any General Manager or Managers, Managing Director and Secretary so appointed may be removed by the Directors and they may appoint any other person in his place/places except as provided in the Articles.
- (ii) A Director may be appointed as General Manager, Manager or Managing Director or Secretary.
123. A Managing Director or General Manager or Manager or Secretary of the Company if he is also a director of the company shall not while he continues to hold that office be subject to retirement by rotation, but shall be reckoned as Director for the purpose of determining the rotation of retirement of Directors or to retire but subject to the

provisions of any contract between him and the Company he shall be subject to the same provisions as to resignation and removal as the other directors to the Company, and he shall ipso facto and immediately, cease to be Managing Director or whole time Director from any cause, after he ceases to be Director of the Company except otherwise provided in the articles for a specified period.

124. In addition to the usual remuneration as an ordinary Director the remuneration of the Managing Director or General Manager or Manager or Secretary shall be fixed by the Company in the meeting of Board of Directors and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both provided that such percentage shall not exceed five percent for anyone such officer and ten percent of all of them together.
125. The Board of Directors may subject to the provisions of Section 291 to 297 of the Act from time to time entrust to and confer upon a Chairman or Managing Director or General Manager or Manager or Secretary for the time being such of the powers exercisable under these present by the Board of Directors as they think fit and may confer such powers for such terms and conditions, and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and substitution for all or any of the power of the Board of Directors in that behalf and may from time to time revoke, alter or vary all or any of such powers.

#### **AUDIT COMMITTEE**

126. Subject to the provisions of section 292A there shall be a committee of the Board of Directors known as 'Audit Committee" consisting of not less than three directors and not more than ten directors.
127. Two third of the total number of the members of the committee shall be directors, other than managing or whole time directors.
128. Subject to the provisions of section 292A scope of work should be .fixed by the Board of Directors in writing.
129. The Chairman of the audit committee shall be elected by the member from amongst themselves.
130. The quorum for audit committee meeting should be 1/3 of total members or two whichever is higher.
131. The Chairman of the audit committee shall attend the annual general meeting of the company to provide any clarification on the matters relating to audit.

#### **THE SEAL**

132. The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in

The presence of at least two directors and of the secretary or such other person as the Board may appoint for that purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### **CAPITALISATION**

133. The Company in General Meeting may, upon the recommendation of Board, resolve that any amount, investment or other assets forming part of the undivided profits (including profits arising from the realization or appreciation in value of capital assets for the time being of the Company) standing to the credit of any Reserve Fund of the Company, or to the credit of Profit & Loss Account or otherwise in the hands of the Company or otherwise available for distribution as dividend or representing premiums received on the issue of shares and standing to the credit of the shares premium account may be capitalized: -
- (a) By the distribution of, among the Member or any class of them or any of them on the footing that they become entitled there to as capital in accordance with their respective rights and interests and in proportion to the amounts paid or credits as paid there on, paid up shares, debenture stocks, bonds, securities or other obligations of the Company. or
  - (B) By paying up any amounts for the time being unpaid on any shares held by such members respectively, in proportion to the amount paid or credited as paid thereon. The Directors shall give effect to such resolution and apply such portion of the profits of Reserve fund, or any Fund as may be, required for the purpose of making payment in full or part for the shares, debentures, debenture-stock, bonds, securities or other obligations of the Company so-distributed or (as the case may be) for the purpose of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are not fully paid-up, provided that, such distribution or payment shall not be made unless recommended by the Directors and, if so recommended, such distribution and payment shall be accepted by such shareholder in full satisfaction of their interest in the said capitalized sum.
134. Any General Meeting may resolve that any surplus money arising from the realization of any capital assets of the company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income tax shall be distributed among the equity shares holders on the footing that they receive the same as capital.
135. For the purpose of giving effect to any resolution under two last proceeding Articles the Director may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payment shall be made to any equity shareholders upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in

trustee upon such trusts for the persons entitled to the dividend or capitalized funds as may deem expedient to the directors. Where requisites, a proper contract shall be filed in accordance with Section 75 of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and appointment shall be effective.

### **DIVIDENDS**

136. Subject to the rights of members (if any) entitled to shares with preferential or special rights attached thereto, the profits of the Company which it shall from time to time determine to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of the Company but so that partly paid up shares only entitled to such a proportion of the distribution upon fully paid up shares as the amount paid thereon bears to the normal amount of such shares. All dividends shall be apportioned and paid proportionately or credited on paid up shares according to 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. Where capital is paid up in advance of all upon the footing that the same shall carry interest such capital shall not, whilst carrying interest, confer a right to participate in profits.
137. The Company in General meeting may declare a dividend to be paid to the members according to their rights and interest in the profits.
138. No higher dividend shall be declared than is recommended by Directors, but the Company in General Meeting may declare a lower dividend.
139. No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company.
140. The declaration of the Board of Directors as to the amount of the net profits of the Company for any year shall be conclusive.
141. The Board of Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.
142. Subject to Section 205A of the Act, the Directors may retain any dividend on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
143. Subject to Section 205A of the Act, any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call on such member shall not exceed the dividend payable to him and so that the call may be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the member, be set off against the call.

144. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the instrument of transfer.
145. Subject to Section 205A of the Act, the Directors may retain the dividends payable upon shares in respect of which any person is, under the transmission Article, entitled to become a member or in respect of which any person under that Article is entitled to transfer until such person shall become a member in respect or shall duly transfer the same.
146. Anyone of several persons who are registered as the joint holders of any share may give effective receipts for all dividends and payments on account of dividend in respect of such share.
147. Unless otherwise directed any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint holders to the registered address of the member whose name stands first on the register in respect of the joint holding or to such person and such address as the members or person entitled or such joint holders as the case may be, may direct and every cheque or warrants so sent be made payable to the person or to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be, may direct.
148. The Board may before recommending any dividend, set aside any of the profits of the Company such as it thinks proper as a reserve or reserves which shall at, discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied and in case of pending of such application same 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, thinks fit. The Board may also carry forward any profits which it may thinks prudent not to divide without setting them aside as a reserve
149. All dividends unclaimed shall be dealt with the provisions of Section 205(A) of the Companies Act, 1956 and the rules made thereunder.

## **ACCOUNTS**

150. The Directors shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place and of the assets, credits and liabilities of the Company. The Directors shall be entitled to examine and inspect the same during the normal business hours.
151. The books of accounts shall be kept at the office or at such other place at the Directors think fit and shall be open to inspection by the Directors during business hours.

152. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts or books or, documents etc. of the Company or any of them shall be open for inspection by members not being Director and no member (not being a director) shall have any right of Inspection any account or books or documents of the Company except as conferred by law or authorised by the Company in General Meeting.
153. (a) At every Annual General Meeting, the Directors shall lay before the Company a Balance Sheet and Profit and Loss Accounts in the form and giving the information required by the Act made up to a date not earlier than the date of the meeting by more than nine months, in the case to the 1st annual general meeting and in case of subsequent meetings up to a date not earlier than the date of the meeting by more than six months subject to the right of the Registrar to extend the period for any special reason by a period not exceeding three months not being first Annual General Meeting.
- (b) The Profit & Loss Account shall in a addition to the matters referred to in the Act, should arrange under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been served, and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries and other like matters. Even item of expenditure fairly chargeable against the year's (as the case may be) income shall be brought into account so that a true balance of profit/loss may be laid before the meeting, and in cases where any item of expenditure which in fairness be .distributed over several years has been incurred in anyone year, the whole amount of such item shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year or half year, as the case may be.
154. Every such Balance Sheet be accompanied by a .report of the Directors as to the state and condition of the Company and as to the amount which they recommend to be paid out of the profits by way of dividends or bonus to the members and the amount (if any) which is proposed to carry to the reserve fund according to the provisions in that behalf herein-before contained and the account, report and Balance Sheet shall be signed by the Directors, Officers subject to the provisions of the Act.
155. A printed copy of such account, Balance Sheet and directors report shall, at least twenty one days prior to the meeting, be served to the registered holders of shares in the manner as notices are hereinafter directed to be served.

#### **AUDIT**

156. Once at least in every year, accounts of the Company shall be examined by one of more auditors. Auditors are also require to furnish report on the Profit & Loss Account and Balance Sheet of the company subject to the provisions of the Act.

157. The Company shall appoint in each annual general meeting an auditor or auditors to hold office until the next annual general meeting, and the following provisions shall have effect that is to say: -
- (1) A Director or Officer of the Company shall not be capable of being appointed Auditor of the Company.
  - (2) A person other than a retiring Auditor shall not be capable of being appointed auditor at annual general meeting unless notice of an intention to nominate that person to the office of Auditor has been given by a shareholder to the company not less than fourteen days before the meeting and the company shall send a Copy of any such notice to the retiring auditor and shall give notice thereof to the shareholders or in the mode allowed by these Articles and the Act.
  - (3) The first auditors of the Company shall be appointed by the Board of Directors within one month from the date of Registration of the Company any if so appointed shall hold office until the first annual general meeting unless removed by a resolution of the shareholders in general meeting in that case the shareholders may appoint auditors at the same meeting.
  - (4) The Board of Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditors or Auditors (if any) may act, subject to Section 224 (6) of the Act.
158. The remuneration of the Auditors shall be fixed by the company in General Meeting except that the remuneration of the first Auditors or any Auditors appointed to fill any casual vacancy may be fixed by the Board of Directors.
159. (1) Every Auditor of the Company shall have a right to access at all times to the books of accounts and vouchers of the Company and shall be entitled to enquire from the Directors and officers of the Company such information and explanations as may be necessary for the performance of the duties as the auditors.
- (2) The auditor shall make a report to the shareholders on the account examined by them, and on every Balance Sheet laid before the Company in General Meeting during the tenure of their office and the Report shall state: -
    - (a) Whether or not they have obtained all the information's and explanations which to the best of their knowledge and belief were necessary for the purpose of audit.
    - (b) Whether in their opinion the Balance Sheet referred to in the report is properly drawn up in conformity with Act and these regulations so as to exhibit a true and fair view of the state of the company's affairs and in case of Profit & Loss Account profit or loss of the company according to the best of their information and the explanations given to them and as shown by the books of the Company.

- (c) The Balance Sheet and Profit & Loss Account shall be signed on behalf of the Board as required under section 215 of the Act and auditor's report shall be attached to the Balance Sheet. A note shall be inserted at the foot of the Balance Sheet as reference to the report and the report shall be read before the Company in General Meeting and shall be open to inspection by any shareholder.
160. Every account of the Company when audited and approved by the Company in an Annual General Meeting shall be conclusive.

### NOTICES

161. (1) A notice may be given by the Company to any Member either personally or by sending it by post to his registered address, or (if he has no registered address) to the address if any, supplied by him to the Company, for the said purpose.
- (2) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice and unless the contrary is proved, it shall be deemed to have been effected at the time at which the letter would be delivered in the ordinary course of post.
162. If a member has no registered address in India and has supplied to the Company any address for the giving of notices to him, a notice addressed to him and advertised in a newspapers circulating in the neighborhood of the registered off the of the Company shall be deemed to the duly given to him on the day on which the advertisement appears.
163. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to them by name, or by the title or representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.
164. A notice may be given by the Company to the joint holders of a share by giving the notice to the Joint holder whose name appears first in the register.
165. Notice of every general meeting shall be given in the manner hereinbefore authorised to (a) every member of the Company (including bearers of share-warrants) except those member who (having no registered address) have not supplied to the Company an address for the giving notice to them, and also to (b) every person entitled to a share in consequence of the death or insolvency of a member, who, but for his death or insolvency, would be entitled to receive notice of general meetings.
166. The accidental omission to give notice to, or the non-receipt of notice, by any member or other person to whom it should be given, shall not invalidate the proceedings at the meeting.

167. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered to the register might have been given to the person from whom he derives his title to such share.
168. The signature to any notice to be given by the Company may be written or printed.

### **RECONSTRUCTION**

169. Subject to Section 394 of the Act on any sale of the undertaking of the Company the Board of Directors or the Liquidators in a winding up may if, authorised by a special resolution, accept fully paid or partly paid up shares, debentures or securities of any of the Company whether incorporated in India or not either existing or to be formed in India or not then existing or to be formed to take over in whole or in parts of the property of the Company and the Directors (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 realization or vest the same to trustees for them and any such special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, statutory rights (if any ) under Section 494 of the Act as are incapable of being varied or excluded by these presents.

### **SECRECY**

170. No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties without the permission of the Directors, or subject to. these Articles to require, obtain any information or any other detail of the Company's activities or any matter which is or may be in the nature of a trade secret, mystery of trade, or of any matter which may relate to the conduct of the business of the company and which in the opinion of the Directors will be inexpedient in the interest of the members of the Company to communicate.

### **WINDING UP**

171. If the Company. shall be wound up, the surplus assets shall be applied in the first place in repaying to the holders other Preference Shares the amount paid up thereon with all arrears or deficiency of dividend (if any) up to the commencement of the winding up, and the residue shall belong to the holders of the Equity Shares in the proportion subject to the provisions of the Act and to the holders of such other class or classes or shares according to the rights existing in them.

172. (1) If the Company shall be wound up whether voluntarily or otherwise the Liquidators may with the sanction of a special resolution of the company and any other sanction required by the Act, shall divide amongst the contributories in specie or kind, the whole or any part of the assets of the Company, and may, with the like sanction, vest the whole or any part of the such assets in trustees upon such trusts for the benefits of the contributories as the Liquidators, with the like sanction, shall think fit.
- (2) If thought expedient any such division which may be otherwise than in accordance with the legal rights of the contributories 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 by a special resolution passed pursuant to the provision of the Act. Any contributory who would be prejudice thereby shall have a right to dissent. Relevant provisions of the Companies Act shall be duly complied with in this connection.
- (3) In case any of the 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 Liquidators to sell his portion and pay him the net proceeds and the Liquidators shall if practicable, act accordingly.

#### **INDEMNITY**

173. Subject to Section 201 of the Act, the Directors, Managers, Auditors, Trustees and other Officers for the time being of the Company shall be indemnified out of the assets of the Company against all cost, charges, losses, damages, and expenses which they shall respectively incur or be put to on account, of any contract, act, deed, matter or thing which shall be made, done entered into or executed by them respectively on behalf of the Company and the Directors, Managing Director or Manager, Trustees or other officers shall be reimbursed by the Company all reasonable expenses incurred by them in or about any legal proceedings or arbitration on account of the Company, or otherwise, in the execution of their respective offices, except such cost, losses and expenses as shall happen through their respective willful default or neglect, and any such Director, Manager, or other officers shall be chargeable only for so much money as he or they shall actually receive and they respectively shall not be answerable for the acts, receipts, neglects or defaults of each other but each of them, for his own acts, receipts, default or neglect only nor shall they be respectively answerable for any banker, broker, collector or other person with whom or into whose hands any property or moneys of the Company may be deposited or come, nor for the insufficiency of the title to any estate or property which may from time to time be acquired on behalf of the Company nor for the insufficiency of any security upon which any of the moneys of the Company shall be invested by order of or under authority from the Directors, nor for any loss or damage which may happen in the execution of their respective offices unless the same shall happen through their own respective willful default or neglect.

Names, description, occupation and addresses of each subscribers	Signature of subscribers	Name, addresses, description, occupation and signature of witness or witnesses
Ashok Boob S/o Mishri Lal Boob Laxmi Bhawn, Flate-12 D Road Marine Drive Bombay - 400020 Business	Sd/-	<p style="text-align: center;">I witness the signatures of all the subscribers</p> <p style="text-align: center;">Sd/- D.K. KAPILA S/o Late Sh. A.K. KAPILA Chartered Accountant, Membership No. 16905 C/o M/s Jain Kapila Associates 3000, Bhagat Singh Street 2nd, Paharganj, New Delhi-110055</p>
Omprakash Prahladka S/o Late K. L. Prahladka 1,B.K. Paul Avenue Calcutta - 700005 Business	Sd/-	
Kamal Chandra S/o Late Sri R. C. Agarwal Sriram Colony, Civil Lines Moradabad - U.P. Business	Sd/-	
Sudhir Kumar Tyagi S/o Shri S. S. Tyagi 88, Shiv Puri, Rampur Road Moradabad Business	Sd/-	
Navratan Samdria S/o Sh. Parsan Mal Samdria E-68, G. K. II New Delhi Business	Sd/-	
Ravi Kumar Passi S/o M. R. Passi E-11, Panchsheel Park New Delhi - 17 Business	Sd/-	
Rakesh Kumar S/o Late Sh. B. R. Sharma 41-A, UNA Enclave Mayur Vihar, Phase-I Delhi - 110091 Service	Sd/-	

Place : New Delhi Dated : 26th day of March, 2001