

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

**BWL LIMITED**

1. 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 in force at the date at which the Articles become binding on the Company.

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

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

"The Company" means BWL Limited.

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

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

"The Managing Director" or "Managing Directors" means the Managing Director or the Managing Directors for the time being of the Company.

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

"Register" means the Register of Members of the Company required to be Kept under Section 150 of the Act.

"The Registrar" means the Registrar of Companies.

"Month" means calendar month.

"Seal" means the Common Seal of the Company.

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

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

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

Words importing persons include corporations.

2. Save as reproduced herein the regulations contained in Table "A" in the first Schedule to the Act shall not apply to the Company.

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

This Article shall not be deemed to affect the power of the Company to enforce repayment of loans to members or to exercise a lien conferred by Article 33.

## SHARES

4. "The Authorised Share Capital of the Company is Rs. 15 Crores (Rupees Fifteen Crores only) divided into 150 Lacs Share of Rs. 10/- each with power to increase, reduce, sub-divide classify and consolidated and with power from time to time to issue any share of original capital or new capital with and subject to any preferential deferred, qualified or special right, privileges or conditions as may be thought fit and upon the sub-division of share to apportion the right to participate in profit in any manner, as between the share resulting from such sub-divisions".

5. Subject to the provisions of these Articles, the shares shall be under the control of the board who may allot or otherwise dispose of the same to such persons, on such terms and conditions, at such times, either at par or at a premium, and for such consideration as the Board thinks fit. Provided that, where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier it is proposed to increase the subscribed capital of the Company by the allotment of further shares, then subject to the provisions of Section 81 (1A) of the Act, the Board shall issue such shares in the manner set out in Section 81 (1) of the Act. "Option or right to call of shares not be given to any person or persons without the sanction of the Company in general meeting".

6. Subject to the provisions of these Articles, the Company shall have power to issue Preference Shares carrying a right to redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption or liable to be redeemed at the option of the Company and the board may, subject to the provisions of Section 80 of the Act, exercise such power in such manner as may be provided in these Articles.

7. Subject to the provisions of Section 80 of the Act, the Company shall have the option to redeem the whole of any part of the said Redeemable cumulative Preference Shares at par at any time or times as the board of Directors think fit on

giving not less than six months' previous notice in writing specifying the date of redemption and, in the case of partial redemption, the number of shares to be redeemed and the date of drawing herein after referred to. The particular Redeemable Cumulative Preference Share to be redeemed shall be determined by means of a drawing and all such drawings shall be conducted by the Board at the registered office in the presence of a Notary Public and also of such of the holders of the said Redeemable Cumulative Preference Shares who care to attend.

8. As regards allotments made from time to time Company shall duly comply with Section 75 of the Act.

9. If the Company shall offer any of its shares to the public for subscription.

- (i) No allotment thereof shall be made unless the amount stated in the prospectus as the minimum subscription has been subscribed and the sum payable on application thereof has been paid to and received by the Company but this provision shall no longer apply after the first allotment of share offered to the public for subscription.
- (ii) The amount payable on application on each share shall not be less than 5 percent of the nominal amount of the share and.
- (iii) The Company shall comply with the provisions of subsection (4) of Section 69 of the Act.

And if the Company shall propose to commence business after filing a statement in lieu of prospectus, the Board shall not make any allotment of shares payable in cash unless sections 70 and 149 of the Act shall have been complied with.

10. The Company may exercise the powers of paying commissions conferred by Section 76 of the Act, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said Section and the Commission shall not exceed 5 percent of the price at which any shares, in respect whereof the same is paid, are issued or 2.5 percent of the price at which any debentures are issued as the case may be. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

11. With the previous authority of the Company in general meeting and the sanction of the Court and upon otherwise complying with Section 79 of the Act, the Board may issue at discount shares of a class already issued.

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

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

14. Save as herein otherwise provided, the Company shall be entitled to

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treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required; be bound to recognise any equitable or other claim or interest in such share on the part of any other person.

15. Shares may be registered in the name of any person, company or other body corporate. Not more than four persons shall be registered as joint holders of any shares.

## CERTIFICATES

16 Subject to the provisions of the Companies (Issue of Share Certificate) Rules, 1960 or any statutory modification or re-enactment thereof, share certificates shall be issued in manner following :

- (1) The Certificates of title to shares and duplicates thereof when necessary shall be issued under the Seal of the company which shall be affixed in the presence of (i) two Directors or a Director and a person acting on behalf of another Director under a duly registered power of attorney or two persons acting as attorneys for two Directors as aforesaid; and (ii) the Secretary or some other person appointed by the Board for the purpose, all of whom shall sign such share certificate; provided that, if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole time Director.
- (2) Every member shall be entitled free of the charge to one certificate for all the shares of each class registered in his name, or if the Board so approves to several certificates each for one or more of such shares but, in respect of each additional certificate, the company shall, within three months after the date of either allotment and on surrender to the Company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptance or of renunciation or in cases of bonus shares) or within two months of receipt of the application for registration of the transfer of any of its shares, as the case may be, complete and have ready for delivery the certificates of such shares. Every certificate of shares shall specify the name of the person in whose favour the certificate is issued the shares to which it relates and the amount paid up therein. Particulars of every certificate issued shall be entered in the Register maintained in the form set out in the Act or, in the form as near thereto as circumstances admit against the name of the person to whom it has been issued, indicating the date of issue. In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint-holders shall be sufficient delivery to all such holders.
3. if any certificate of any share or shares be surrendered to the Company for sub-division or consolidation or if any certificate be defaced torn or old, decrepit, worn-out or where the pages in the reverse for recording transfers have been duly utilised, then, upon surrender thereof to the company the Board may order the same to

be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the board and on such indemnity as the Board thinks fit being given, a new certificate in lieu thereof shall be given to the party entitled to the share to which such lost or destroyed certificate shall relate. Where a certificate has been issued in place of a certificate which has been defaced, etc., lost, destroyed it shall state on the face of it and against the stub or counterfoil that it is issued in lieu of a share certificate or is a duplicate issued for the one so defaced, etc., lost, destroyed, as the case may be and in the case of a certificate issued in place of one which has been lost or destroyed the word "duplicate" shall be stamped or punched in bold letters across the face thereof. For every certificate issued under this Article, there shall be paid to the Company the sum of Rs. 2/- or such smaller sum together with such out of pocket expenses incurred by the Company in investigating evidence as the Board may determine. "Provided that no fee should be charged for subdivision or consolidation of share certificates into lots of the market unit or for issue of new certificate in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised".

- (4) Where a new share certificate has been issued in pursuance of the last preceding paragraph, particulars of every such certificate shall also be entered in a Register of Renewed and Duplicate Certificates indicating again the name of the person to whom the certificate is issued, the number and date of issue of the certificate in lieu of which the new certificate is issued and the necessary changes indicated in the Register by suitable cross references in the "Remarks" Column. All entries made in the Register or in the Register of Renewed and Duplicate Certificates shall be authenticated by the Secretary or such other person as may be appointed by the Board for purpose of sealing and signing the share certificate under paragraph (1) hereof.

### CALLS

17. The Board may, from time to time subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof, made payable at fixed times, and each member shall pay the amount of every call so made on him to the person and at the time and places appointed by the Board. A call may be made payable by instalments and shall be deemed to have been made when the resolution of the board authorising such call was passed.

18. Not less than fourteen day's notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

19. (1) if the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the share for which the call shall have been made or the instalment shall be due shall pay interest for the same at the rate of 12 percent per annum from the

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day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.

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

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

21. 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 defendant is, or was, when the claim arose, on the Register as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

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

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

#### FORFEITURE AND LIEN

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

25. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.

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26. If the requisition of any such notice as aforesaid be not complied with any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board of the effect. Such forfeiture shall include all dividends, declared in respect of the forfeited share and not actually paid before the forfeiture.

27. When any share shall have been so forfeited, notice of the resolution shall be given to the members in whose name it stood immediately prior to the forfeiture and entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to name such entry as aforesaid.

28. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit.

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

30. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding, remain liable to pay, and shall forthwith pay to the Company, all calls or instalments, interest and expenses, owing upon or in respect to such share, at the time of forfeiture, together with interest thereon, from the time of forfeiture until payment, at 12 percent per annum and the Board may enforce the payment thereof, or any part 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.

31. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have been duly forfeited on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all person claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any given for the shares on the sale or disposition thereof shall constitute a good title to such shares, and the person to whom any such share is sold shall be registered as the holder of such shares and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

32. The provisions of Article 24 to 31 hereof shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of a share or by way of premises, as if the same had been payable by virtue of a call duly made and notified.

33. The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such share whether the time for payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 14 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of

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such shares. Unless otherwise agreed, the registration of a transfer of a share shall operate a waiver of Company's lien, if any, on such share.

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

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

36. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the board may appoint some person to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application or the purchase money, and after his name has been entered in the Register in respect of such share the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

37. Where any share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered upto the Company by the former holder of such share the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered.

#### **TRANSFER AND TRANSMISSION**

38. Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or, if no such certificate is in existence the Letter of Allotment of the share. The instrument of transfer of any share shall specify the name, address and occupation (if any) of the transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation.

39. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall, in the case of a partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act and subject to the provisions of these articles the Company shall, unless objection is made by the transferee within two

weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

40. The instrument of transfer of any share shall be in writing in the form prescribed under the Act.

41. (a) Subject to the provisions of Section 111 of the Act, the Board without assigning any reason for such refusal, may within two months from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of, or the transmission by operation of law or right to a share

(b) No transfer shall be made to a minor or person of unsound mind.

(c) "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".

42. Every instrument of transfer shall be left at the registered office for registration, accompanied by a certificate of the share to be transferred or if no such certificate is in existence, by the Letter of Allotment of the share and such other evidence as the Board may require to prove the title to the transferor or his right to transfer the share. Every instrument of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.

43. If the Board refuses whether in pursuance of Article 41 or otherwise to register the transfer of or the transmission by operation of law of the right to a share, the Company shall, within two months from the date of which the instrument of transfer or the intimation of such transmission as the case may be was lodged with the company, send to the transferee and the transferor or to the persons giving intimation of such transmission notice of the refusal.

44. "No fee will be charged for the registration of each grant of probate, grant of letters of administration, certificate of death, marriage, power of attorney or other instrument and shall, if required by the Board, be paid before the registration thereof."

45. The executor or administrator of a deceased member (not being one of several joint-holders) shall be the one person recognised by the Company as having any title to the share registered in the name of such member and, in case of the death of any one or more of the joint-holders of any registered share, the survivor shall be the one person recognised by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on the share held by him jointly with any other person. Before recognising any executor or administrator the Board may require him to obtain a Grant or Probate or Letter of Administration or other legal representation, as the case may be, from a competent Court in India and having effect in the State in which the company's Registered Office may be situate for the time being. Provided nevertheless that in any case were the Board in its absolute discretion thinks fit it shall be lawful for the board to dispense with the production of Probate or Letters

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of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider adequate.

46. Any Committee or guardian of a lunatic or minor member of any person becoming entitled to or to transfer a share in consequence of the death of bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Articles or of his title as the Board thinks sufficient, may, with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share, or may, subject to the regulations as to transfer herein before contained, transfer such share. This Article is hereinafter referred to as "The Transmission Article"

47. (1) If the person so becoming entitled under the Transmission Article shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(2) If the person aforesaid shall 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 Articles relating to the right to transfer and the registration of instruments of transfer of a share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

48. A person so becoming entitled under the Transmission Article to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall, subject to the provision of Article 81 and of Section 206 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the share.

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**

49. The Company in general meeting may, from time to time, increase the capital by the creation of new shares of such amount as may be deemed expedient.

50. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company then issued, the new shares may be issued upon such terms and conditions, and with such rights and privileges attached thereto as the general meeting resolving upon the creation thereof, shall direct and if no direction be given as the Board shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.

51. Before the issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of the new share, and in particular may determine to whom the same shall be offered in the first instances and

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whether at par or at a premium or, subject to the provisions of Section 79 of the Act, at a discount, in default of any such provision, or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of Article 5.

52. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the then existing capital of the Company and shall be subject to the provisions herein contained with reference to the payment of the dividends, calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise.

53. If, owing to any inequality in the number of new shares to be issued, and the number of shares held by members entitled to have the offer of such new shares any difficulty shall arise in the appointment of such new shares or any of them amongst the members such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting be determined by the Board.

54. The Company may, from time to time, by Special Resolution reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner and with and subject to any incident authorised and consent required by law.

#### ALTERATION OF CAPITAL

55. The Company in general meeting may from time to time :

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

56. The resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantages as regards dividend, capital or otherwise or as compared with the others or other, subject, nevertheless, to the provisions of Section 85, 87, 89 and 106 of the Act.

57 Subject to the provisions of Section 100 to 105 inclusive of the Act, the Board may accept, from any member the surrender on such terms and conditions as shall be agreed of all or any of his shares.

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**MODIFICATION OF RIGHTS**

58. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the share of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a Separate General Meeting of the holders of the shares of that class. To every such Separate General Meeting the provisions of these Articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-fifth of the issued shares of the class but so that if at any adjourned meeting of such holder a quorum as above defined is not present, those members who are present shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and, on a poll, shall have one vote for each share of the class of which he is the holder. The Article is not by implication to curtail the power of modification which the Company would have if this Article were omitted. The company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar.

**BORROWING POWERS**

59. The Board may from time to time, at its discretion, subject to the provisions of Section 292, 293 and 370 of the Act raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company ; provided that the Board shall not, without the sanction of the Company in general meeting, borrow any sum of money which together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purposes.

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

61. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings allotment of shares, appointment of Directors and otherwise, Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued "Debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting".

62. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificate of the debentures.

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63. If the Board refuses to register the transfer of any debentures the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

### THE STATUTORY MEETING

64. The Statutory Meeting of the Company shall, as required by Section 165 of the Act, be held at such time not being less than one month nor more than six months from the date at which the Company shall be entitled to commence business and at such place as the Board may determine and the Board shall comply with the other requirements of that Section as to the report to be submitted and otherwise.

### GENERAL MEETINGS

65. In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 166 (1) of the Act, and subject to the provisions of Section 166 (2) of the Act, at such times and places as may be determined by the board. Each such general meetings shall be called an "annual general meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall, except in the case where an Extraordinary General Meeting is convened under the provisions of the next following Article, be called a "general meeting".

66. The Board may, whenever it thinks fit, call a general meeting, and it shall on the requisition of such number of members as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid up capital of the Company as at that date carried the right of voting in regard to the matter to be considered at the meeting, forthwith proceed to call an Extraordinary General Meeting, and in the case of such requisition the following provisions shall apply :

- (1) The requisition shall state the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the registered office. The requisition may consist of several documents in like form each signed by two or more requisitionists.
- (2) where two or more distinct matters are specified in the requisition, the requisition shall be valid only in respect of those matters in regard to which the requisition has been signed by the member or members herein before specified.
- (3) If the Board does not, within twenty-one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of these matters on a day not later than forty-five days from the date of deposit, the requisitionists or such of them as are enable so to do by virtue of Section 169 (6) (b) of the Act may themselves call the meeting but any meeting so called shall not be commenced after three months from the date of deposit.
- (4) Any meeting called under this Article by the requisitionists shall be called in the same manner as nearly as possible as that in which

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- (5) Where two or more persons hold any shares jointly, a requisition or notice calling a meeting signed by one or some only of them shall for the purposes of this Article have the same force and effect as if it has been signed by all of them.
- (6) Any reasonable expenses incurred by the requisitionists by reason of the failure of the board only to call a meeting shall be repaid to the requisitionists by the Company and any sum so repaid shall be retained by the Company out of any sums due or to become due from the company by way of fees or other remuneration for their services to such of the Directors as are in default.

67. The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.

68. Save as provided in sub-section (2) of Section 171 of the Act, not less than twenty one days' notice shall be given of every general meeting of the Company. Every notice of a meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Where any such business consists of "special business" as hereinafter defined there shall be annexed to the notice a statement complying with Section 173 (2) and (3) of the Act.

Notice of every meeting of the Company shall be given to every member of the Company, to the Auditors of the Company and to any persons entitled to a share in consequence of the death or insolvency of a member in any manner hereinafter authorised for the giving of notices to such persons. Provided that where the notice of a general meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Office under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 (2) of the Act need not be annexed to the notice as required by that Section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

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

#### **PROCEEDINGS AT GENERAL MEETINGS**

69. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at any other general meeting shall be deemed special business.

70. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided five members personally present shall be a quorum.

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71. 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 shall be sufficiently so done or passed if effected by an ordinary Resolution as defined in Section 189 (1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 189 (2) of the Act.

72. The Chairman of the Board shall be entitled to take the chair at every general meeting. If there be no such Chairman, if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the members present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, then the members present shall, on a show of hands or on a poll if properly demanded, elect one of their number, being a member entitled to vote, to be Chairman.

73. If within half-an-hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such time and place as the Board may by notice appoint and if at such adjourned meeting a quorum be not present those members who are present and not being less than two shall be a quorum and may transact the business for which the meeting was called.

74. Every question submitted to a meeting shall be decided, in the first instance by show of hands, and in the case of an equality of votes, both on a show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as a member.

75. At any general meeting, unless a poll is (before or on the declaration of the result of the show of hand) demanded by the Chairman of his own motion, or by at least five members having the right to vote on the resolution in question and present in person or by proxy, or by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of such resolution, or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on such resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all the shares conferring that right, a declaration by the Chairman that the resolution has or has not been carried, or has or has not been carried either unanimously, or by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of, or against the resolution.

76 (1) If a poll be demanded as aforesaid it shall be taken forthwith on a question of adjournment of election of a Chairman and in any other case in such manner and at such time; not being later than forty-eight hours from the time when the demand was made and at such place as the Chairman of the meeting directs, and subject as aforesaid, either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.

(2) The demand of a poll may be withdrawn at any time.

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

#### VOTES OF MEMBERS

- 78 (1) Save as hereinafter provided, on a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a General Proxy (as defined in Article 84) on behalf of a holder of Equity Shares if he is not entitled to vote in his own right or, as a duly authorised representative of a body corporate, being a holder of Equity Shares, shall have one vote.
- (2) Save as hereinafter provided, on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.
  - (3) The holders of Preference Shares shall not be entitled to vote at general meetings of the Company except ;
    - (i) on any resolution placed before the Company at a general meeting at the date of which the dividend due or any part thereof remains unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of such meeting whether or not such dividend has been declared by the Company, or
    - (ii) on any resolution before the Company at a general meeting which directly affects the rights attached to the Preference Shares and for this purpose any resolution for the winding up of the Company or for the repayment or reduction of its share capital shall be deemed to affect the rights attached to such shares.

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Where the holder of any Preference Shares has a right to vote on any resolution in accordance with the provisions of this Article his voting right on a poll as such holder shall, subject to any statutory provision for the time being applicable, be in the same proportion as the capital paid up on the Preference Shares bears to the total paid up Equity share Capital of the Company for the time being as defined in Section 87 (2) of the Act.

Provided that no company or body corporate shall vote by proxy so long as a resolution of its board of directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the general meeting at which the vote by proxy is tendered.

79. Where a company or a body corporate (hereinafter called "member company") is a member of the Company, a person duly appointed by resolution in accordance with the provisions of Section 187 of the Act to represent such member company at a meeting of the Company, shall not, by reason of such appointment be deemed to be a proxy, and the lodging with the Company at the registered Office or production at the meeting of a copy of such resolution duly signed by one Director of such member company and certified by him or them as being a true copy of the resolution shall, on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the member company which he represents, as that member company could exercise if it were an individual member.

80. Any person entitled under the Transmission Article to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposed to vote he shall satisfy the Board of his right to transfer such shares, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non compos mentis, he may vote whether on a show of hands or at a poll by his committee, curator bonis or other legal curator and such last mentioned persons may give their votes by proxy.

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

82. On a poll votes may be given either personally or by proxy, or in the case of a body corporate, by a representative duly authorised as aforesaid.

83. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his Attorney duly authorised in writing or if such appointor is a body corporate be under its common seal or the hand of its officer or Attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a Special Proxy. Any other proxy shall be called a General Proxy.

A person may be appointed a proxy though he is not a member of the Com-

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pany and every notice convening a meeting of the Company shall state this and that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him.

84. The instrument appointing a proxy and the Power-of Attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of authority, shall be deposited at the registered office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument purport to vote in respect thereof 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 appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the registered office before the vote is given ;

Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that same has not been revoked.

86. Every instrument appointing a Special Proxy shall be retained by the Company and shall, as nearly as circumstances will admit, be in the form or to the effect following :

**BWL LIMITED**

I/We \_\_\_\_\_ of \_\_\_\_\_

being a member of BWL Limited hereby appoint

of \_\_\_\_\_ (or failing him  
of \_\_\_\_\_ (or failing him  
of \_\_\_\_\_ ) as

my/our Proxy to attend and vote for me/us and or my/our behalf at the (Annual or Extraordinary, as the case may be) General Meeting of the Company to be held on the Day of \_\_\_\_\_ 19 \_\_\_\_\_ and at any adjournment thereof.

As witness my/our hand (s) this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ signed by the said.

Provided always that an instrument appointing a Special Proxy may be in any of the forms set out in Schedule IX to the Act.

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

88. (1) Any objection as to the admission or rejection of a vote, either,

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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 made in good faith 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 given or tendered and every vote not disallowed at such meeting shall be valid for all purpose.

### DIRECTORS

89. Unless otherwise determined by the Company in General Meeting, the number of Directors of the Company shall not be less than three nor more than eleven.

90. Not less than two thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation.

\*91. " In case the Union government or any State Government or an Industrial Finance Corporation sponsored or financed by any of the above Government or the Life Insurance Corporation of India or State Bank of India grants Loans or accepts participation in the capital of the Company such Government or Corporation or State Bank of India shall be entitled, so long as the Company is indebted to such government of Corporation or State Bank of India or such Government or Corporation or State Bank of India continues to be interested in the Company in any fiduciary capacity to nominate and from time to time substitute in place of such nominees one or more Directors, to protect the interest of each such Government or Corporation or State Bank of India on the Board of Directors of the Company, and while holding such office, such nominee shall be an ex-officio director and shall not be liable to retire by rotation nor will they be required to hold any qualification shares".

92. The persons hereinafter named shall become and be the First Directors of the Company :

1. Shri H.P. Khetawat
2. Shri K. L. Khetawat
3. Shri K.C. Barjatya

93. The Board shall have power at any time and from time to time to appoint any person as a Director as an addition to be Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-election.

94. Unless otherwise determined by the Company in general meeting no Director shall be required to hold any qualification shares in the capital of the Company.

95. Without prejudice to the restrictions imposed by Section 266 of the Act, a Director who is required to hold qualification shares may act as a Director before

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\* Amended as per the approval of the Central Government under Section 268 of the Companies Act, 1956, vide their approval letter NO. 5/469/79-CI.IX Dt. 18-10-79

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acquiring such shares but shall if he is not already qualified obtain his qualification and every director other than a technical Director or a Director appointed by the Central or a State government or any financial institution sponsored or owned by such Government as herein before stated, shall file with the Registrar a declaration specifying the qualification shares held by him, within two months from his appointment as a Director.

96. Unless otherwise determined by the Company in general meeting each Director shall be entitled to receive out of the funds of the Company for his services in attending meetings of the Board or a Committee of the Board a fee not exceeding Rs. 250/- per meeting of the Board or a Committee of the Board attended by him as may be fixed by the Board from time to time. The Director shall also be entitled to receive a Commission (to be divided between them in such manner as they may, from time to time determine and, in default of determination, equally) of one percent of the net profits of the Company computed in the manner referred to in sub-section (1) of Section 198 of the Act. All other remuneration ; if any, payable by the Company to each Director, whether in respect of his services as a Managing Director or a Director in the whole or part time employment of the Company shall be determined and in accordance with and subject to the provisions of these Articles and of the Act. The Directors shall be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attending at Board and Committee meetings or otherwise incurred in the execution of their duties as Directors.

97. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from the town in which the Registered Office of the Company may be situate for any purposes of the Company or in giving special attention to the business of the Company or as a member of the board then subject to Sections 198, 309, 310 and 314 of the Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

98. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum above fixed the Board shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum.

99. (1) The office of the Director shall *ipso facto* become vacant if ;
- (a) he fails to obtain the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceased to hold, the share qualification if any, necessary for his appointment or ;
  - (b) he is found to be of unsound mind by a Court of competent jurisdiction ; or
  - (c) he applies to be adjudicated an insolvent ; or
  - (d) he is adjudged an insolvent ; or
  - (e) he is convicted by a Court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months ; or

- (f) he fails to pay call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure ; or
  - (g) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is the longer, without obtaining leave of absence from the Board ; or
  - (h) he (whether by himself or by any person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act ; or
  - (i) he acts in contravention of Section 299 of the Act ; or
  - (j) he becomes disqualified by an order of Court under Section 203 of the Act, or
  - (k) he be removed from office in pursuance of Section 284 of the Act, or
  - (l) by notice in writing to the Company he resigns his office ; or
  - (m) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of Section 314 of the Act and by operation of that Section he is deemed to vacate office.
- (2) Notwithstanding any matter or thing in sub-clauses (d), (e) and (j) of clause (1) disqualification referred to in these subclauses shall not take effect :-
- (a) for thirty days from the date of adjudication, sentence or order ; or
  - (b) where an appeal or petition is preferred within the thirty days aforesaid against the adjudication sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of ; or
  - (c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

100. Save as permitted by Section 314 of the Act, no partner or relative of a Director, no firm in which a Director or his relative is a partner, no private company of which a Director is a director or member and no director, or manager of such a private

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company shall without the previous consent of the Company accorded by Special Resolution hold any office or place of profit carrying a total monthly remuneration of five hundred rupees or more, except that of a managing director, manager, legal or technical adviser, banker or trustee for the holders of debentures of the Company (i) under the company, or (ii) under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding company.

101. A Director of this Company may be or become a director of any other company promoted by this Company or in which it may be interested as a member, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.

102. Subject to the provisions of Section 297 of the Act neither shall a Director be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director, or a firm in which Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or director, be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding office or of the fiduciary relation thereby established.

103. Every Director who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into, by or on behalf of the Company not being a contract or arrangement entered into or to be entered into between the Company and any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid up share capital in the other company shall disclose the nature of his concern or interest at a meeting of the Board as required by Section 299 of the Act. A general notice renewable in the last month of each financial year of the Company, that a Director is a director or a member of any specified body corporate or is a member of any specified firm and is to be regarded as concerned or interested in any subsequent contract or arrangement with that body corporate or firm shall be sufficient disclosure of concern or interest in relation to any contract or arrangement so made and, after such general notice, it shall not be necessary to give special notice relating to any particular contract or arrangement with such body corporate or firm, provided such general notice is given at a meeting of the board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given. Every Director shall be bound to give and from time to time renew a general notice as aforesaid in respect of all bodies corporate of which he is a Director or member and of all firms of which he is a member.

104. No Director shall, as a Director, take any part in the discussion of or vote on any contract or arrangement in which he is in any way whether directly or indirectly concerned or interested nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote. This prohibition shall not apply to (a) any contract of indemnity against any loss which the Director or any of them may suffer by reason or becoming or being sureties or a surety for the Company ; or (b) any contract or arrangement entered into or to be entered into by the Company with a public company, or with a private company which is a subsidiary of

a public company, in which the interest of the Director consists solely in his being a director of such company and the holder of shares not exceeding in number of value the amount requisite to qualify him for appointment as a director thereof, he having been nominated as such director by the Company or in his being a member of the Company holding not more than two percent of the paid up share capital of the Company.

### ROTATION OF DIRECTORS

105. At each Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

106 The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

107. Save as permitted by Section 263 of the Act, every resolution of a general meeting for the appointment of a Director shall relate to one named individual only.

108. The Company at the Annual General Meeting at which a Director retires by rotation in manner aforesaid may fill up the vacated office by appointing the retiring Directors or some other person thereto.

If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :

- (a) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the vote and lost ; or
- (b) the retiring Director has by notice in writing addressed to the Company or the Board expressed his unwillingness to be reappointed ;  
or
- (c) he is not qualified or is disqualified for appointment ; or
- (d) a resolution whether special or ordinary, is required for his appointment or-reappointment in virtue of any provisions of the Act; or
- (e) the proviso to sub-section (2) of Section 203 is applicable to the case.

109. The Company in general meeting may from time to time increase or reduce the number of Directors within the limits fixed by Article 89.

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110. The Company may, subject to the provisions of Section 284 of the Act, by ordinary resolution of which Special Notice has been given, remove any Director before the expiration of his period of office and may by ordinary resolution of which Special Notice has been given, appoint another person in his stead, if the Director so removed was appointed by the Company in general meeting or by the Board under Article 111. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed the Board may at any time thereafter fill such vacancy under the provisions of Article 111. Nothing contained in this Article shall effect the provisions of Article 91.

111. If any Director appointed by the Company in general meeting vacates office as a Director before his term of office will expire in the normal course the resulting casual vacancy may be filled up by the board at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Article 110.

112. No person not being a retiring Director shall be eligible for appointment to the office of Director at any general meeting unless he or some member intending to propose him has not less than fourteen days before the meeting, left at the registered office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be. The Company shall inform its members of the candidature of a person for the office of Director or the intention of a member to propose such person as a candidate for that office, by serving individual notice on the members not less than seven days before the general meeting, provided that it shall not be necessary for the company to serve individual notices upon the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the general meeting in at least two newspapers circulating in the place where the registered office is located of which one is published in the English language and the other in the regional language of that place.

#### ALTERNATE DIRECTORS

113. The Board may appoint any person to act as alternate Director for a Director during the latter's absence for a period of not less than three months from the state in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he hold office as an alternate Director, shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly ; but he shall not require any qualification and shall *ipso facto* vacate office if and when the absent Director returns to the state in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

#### PROCEEDINGS OF DIRECTORS

114. The Board shall meet together at least once in every three calendar months for the despatch of business and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit ; provided that at least four such meetings shall be held every calendar year. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India and at his usual address in India to every other Director.

115. A Director may, at any time, and Secretary shall, upon the request of a Director convene a meeting of the Board.

116. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no such Chairman is appointed or if at any meeting of the Board the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose some one of their member to be Chairman of such meeting.

117. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman of the Board shall appoint.

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

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

120. The Board may, subject to the provision of the Act, from time to time and at any time, delegate any of its powers to a Committee consisting of such Director or Directors as it thinks fit, and may, from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

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

122. Act done by a person as a Director shall be valid, notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the Act or in these Articles. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

123. Save in those cases where a resolution is required by Section 262, 292, 297, 299, 308, 316, 372 and 386 of the Act, to be passed at a meeting of the Board a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Director or to all the members of the Committee of the Board, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members of the Committee at their usual address in India, and has been approved by such of them as are then in India or by a majority of such of them as are entitled to vote on the resolution.

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**MINUTES**

124 (1) The Board shall, in accordance with the provisions of Section 193 of the Act, cause minutes to be kept by making within thirty days of the conclusion of every general meeting and of every meeting of the Board or of every committee of the board, entries thereof in books provided for the purpose with their pages consecutively numbered, each page of every such book being initialled or signed and the last page of the record of proceedings of each meeting in such books being dated and signed, in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairman of the said meeting or the Chairman of the next succeeding meeting, and, in the case of minutes of proceedings of a general meeting, by the Chairman of the same meeting within the aforesaid period of thirty days or, in the event of the death or inability of that Chairman within that period by a Director duly authorised by the Board for the purpose, provided that in no case shall the minutes or proceeding of a meeting be attached to any such books as aforesaid by pasting or otherwise.

The minutes shall contain particulars :

- (a) of the names of Directors present at each meeting of the Board and of any committee of the Board and in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in, the resolution.
- (b) of all orders made by the Board and committees of the Board.
- (c) of all appointments of Directors and other officers of the Company ; and.
- (d) of all proceedings of general meetings of the Company and of meetings of the Board and Committees of the Board.

The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

Provided that no matter need be included in any such Minutes which the Chairman of the meeting, in his absolute discretion, is of opinion :

- (a) is, or could reasonably be regarded as defamatory of any person ; or
- (b) is irrelevant or immaterial to the proceedings ; or
- (c) is detrimental to the interests of the Company.

(2) Any such Minutes of any meeting of the Board or of any Committee of the board or of the Company in general meeting, if kept in accordance with the provisions of Section 193 of the Act, shall be evidence of the matters stated in such Minutes. The minute Books of general meetings of the Company shall be kept at the registered office and shall be open to inspection by members during the hours of 10 a.m. and 12 noon on such business days as the Act requires them to be open for inspection.

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**POWER OF THE BOARD**

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

126. Subject to the provisions of Section 292 of the Act. the Board may, from time to time as it may think fit, delegate to the Managing Director all or any of the powers hereby conferred upon the Board.

**LOCAL MANAGEMENT**

127. Subject to the provisions of the Act. the following regulations shall have effect.

- (1) The Board may, from time to time, provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
- (2) The Board may, from time to time and at any time, establish any Local Directorate or agencies for managing any of the affairs of the Company out side India, or in any specified locality in India and may appoint any persons to be members of such Local Directorate or any managers or agents and may fix their remuneration and, save as provided in Section 292 of the Act, the Board may, from time to time and at any time, delegate to any person so appointed any of the powers authorities and discretions for the time being vested in the Board and may authorise the members for the time being of any such Local Directorate of any of them to fill up any vacancies therein and act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may, at any time, remove any person so appointed and may annual or very any such delegation.
- (3) The Board may, at any time and from time to time, by Power of Attorney under the Seal, appoint any person to be the Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board

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may, from time to time think fit ; any such appointment may, if the Board thinks fit, be made in favour of the members or any of the members of any Local Directorate established as aforesaid or in favour of any company or of the members, directors, nominees, or officers of any company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board ; and any such Power-of-Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorneys as the Board thinks fit.

- (4) Any such delegates or attorneys as aforesaid may be authorised by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- (5) The Company may exercise the powers conferred by Section 50 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any State or country outside India, as may be permitted by the Act, a Foreign Register of Members or debenture-holders resident in any such State or country and the Board may, from time to time make such regulations as it may think fit respecting the keeping of any such Foreign Register, such regulations not being inconsistent with the provisions of Section 157 and 158 of the Act ; and the Board may, from time to time, make such provisions as it may think fit relating thereto and may comply with the requirements of any local law and shall, in any case, comply with the provisions of Section 157 and 158 of the Act.

#### MANAGING DIRECTORS

128. Subject to the provisions of Sections 269, 316 and 317 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company, either for a fixed term or without any limitation as to the period for which he is to hold such office, for any time not exceeding five years at a time and may, from time to time (subject to the provisions of any contract between him and the Company), remove or dismiss him from office and appoint and appoint another in his place.

Subject to the provisions of Section 255 of the Act, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors 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, and he shall *ipso facto* and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

Subject to the provisions of Sections 309, 310 and 311 of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company, and approval by the Central Government.

128 A. Subject to the provision of section 268 and 269 the Board may from time to time appoint one or more directors to be wholetime Director or whole time Directors of the Company either for a fixed term or without any limitation as to the

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period for which he is to hold such office and may from time to time (subject to the provision of any agreement between him and the Company) remove or dismiss him from office and appoint another/others in his/their place.

Subject to the provision of section 309, 310, 311 and 314 of the Act, a whole time Director shall in addition to the remuneration payable to him as a director of the Company under these Articles receive such additional remuneration as may from time to time be sanctioned by the Company and approved by the Central Government.

### THE SEAL

129. The Board shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority previously given of the Board or a Committee of the Board authorised by the Board in that behalf and save as provided in Article 16 (1) hereof any two Directors shall sign every instrument to which the Seal affixed. Provided nevertheless, that any instrument bearing the Seal of the Company and issue for valuable consideration shall be binding on the company notwithstanding any irregularity touching the authority of the Board to issue the same.

### ANNUAL RETURNS

130. The Company shall comply with the provisions of Section 159 and 161 of the Act as to the making of Annual Returns.

### RESERVES

131. The Board may, from time to time before recommending any dividend, set apart any and such portion of the profits of the Company as it thinks fit as Reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for redemption of Preference Shares for equalisation of dividends, for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company; and may, subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserves into such special funds as it thinks fit, with full powers to employ the Reserves or any parts thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.

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

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## CAPITALISATION OF RESERVES

133. Any general meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the Share holders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum, Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

134. A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investments representing the same, or any other distributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

135. For the purpose of giving effect to any resolution under the two last preceding Articles and Article 143 hereof the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificate, and may fix the value for distribution of any specific assets and may determine that cash payment shall be made to any members 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 trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite a proper contract shall be filled in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capitalised fund, and such appointment shall be effective.

## DIVIDENDS

136. Subject to the rights of members entitled to shares (if any) with preferential or special rights attached thereto, the profits of the Company which it shall from time to time be determined 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 a partly paid up shares shall only entitle the holder with respect thereof to such a proportion of the distribution upon a fully paid up share as the amount paid thereon bears to the nominal amount of such share and so that where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not rank for dividends or 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 and may, subject to the provisions of Section 207 of the Act, fix the time for payments.

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138. No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.

139. Subject to the provisions of Section 205 of the Act, no dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.

140. The declaration of the Board as to the amount of net profits of the Company shall be conclusive.

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

142. The Board may deduct from any dividend payable to any member all sums of money, if any presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

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

144. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.

145. The Company may pay interest on capital raised for the construction of works or buildings when and so far as it shall be authorised to do by Section 208 of the Act.

146. No dividend shall be paid in respect of any share except to the registered holder of such share or to his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of a registered shareholder to make a separate application to the Company for the payment of the dividend. Nothing in this Article shall be deemed to affect in any manner the operation of Article 144.

147. Any one of several persons who are registered as the joint-holders of any share may give effectual receipt for all dividends, bonuses and other payments in respect of such shares.

148. Notice of any dividend, whether interim or otherwise, shall be given to the persons entitled to share therein in the manner hereinafter provided.

149. Unless otherwise directed in accordance with Section 206, of the Act, any dividend interest or other monies payable in cash in respect of a shares may be paid by cheque or warrant sent through the post to the registered address of the holder or, in the case of joint-holders, to the registered address of that one of the joint-holders who is the first named in the Register in respect of the joint-holding or to such person and such address as the holder or joint-holders, as the case may be, may direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

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150. Any dividend unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and any dividend unclaimed for till the claim thereto becomes barred by law may be forfeited by the board for the benefit of the Company but the Board may annual the forfeiture wherever it may think proper.

### BOOKS AND DOCUMENTS

151. The Board shall cause to be kept in accordance with Section 209 of the proper book of account with respect to :-

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place.
- (b) all sales and purchases of goods by the Company, and
- (c) the assets and liabilities of the Company.

152. The books of account shall be kept at the registered office or at such other place in India as the board may decide, and when the Board so decides the company shall within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

153. (1) The books of account of the Company shall be preserved in good order for a period of not less than eight years, from the date of incorporation of the Company and, after the said period of eight years, the books of account of the Company relating to period of not less than eight years immediately preceding the current year shall be preserved in good order.
- (2) The books of account shall be open to inspection by any Director during business hours.
- (3) The books of account shall also be open to inspection by the Registrar or by any officer of government authorised by the Central Government in the behalf, if in the opinion of the Registrar or such other officer sufficient cause exists for the inspection of the books of account.
- (4) The Board shall from time to time determine whether and to what extent, and at what times and places, and under what conditions or regulations, the books of account and books and documents of the Company, shall be open to the inspection of the members not being Director and no member (not being a Director) shall have any right of inspecting any books of account or books or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

### BALANCE SHEETS AND ACCOUNTS

154. At every Annual General Meeting the Board shall lay before the Company a Balance Sheet and Profit & Loss Account made up in accordance with the provisions of Section, 210 of the Act and such Balance Sheet and Profit & Loss

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Account shall comply with the requirements of Section 210, 211, 212, 215 and 216 and of Schedule VI to the Act so far as they are applicable to the Company but, save aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

155. There shall be attached to every Balance Sheet laid before the Company a report by the Board complying Section 217 of the Act.

156. A copy of every Balance Sheet (including the Profit & Loss Account, the Auditors' Report and every document required by law to be annexed or attached to the Balance Sheet) shall, as provided by Section 219 of the Act, not less than twenty-one days before the meeting be sent to every such member, debenture holder, trustee and other person to whom the same is required to be sent by said Section.

157. The Company shall comply with Section 220 of the Act as to filing copies of the Balance Sheet and Profit & Loss Account and documents required to be annexed or attached thereto with the Registrar.

158. Once at least in every year the books of account of the Company shall be examined by one or more Auditor or Auditors.

The first Auditor or Auditors of the Company shall be appointed by the Board within one month after the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting of the Company.

159. The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed. The appointment, remuneration, rights and duties of the Auditor or Auditors shall be regulated by Sections 224 to 227 of the Act.

160. Where the Company has a branch office the provision of Section 228 of the Act shall apply.

161. All notice of, and other communication relating to any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends or any part of the business which concerns him as Auditor.

162. The Auditor's Report (including the Auditor's separate, special or supplementary report if any) shall be read before the Company in general meeting and shall be open to inspection by any member of the Company.

163. Every Balance Sheet and Profit & Loss Account of the Company when audited and adopted by the Company in general meeting shall be conclusive except as regards any error discovered therein three months next after the adoption thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall be conclusive.

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**SERVICE OF NOTICES AND DOCUMENTS**

164. (1) A notice or other document may be given by the Company to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address if any, within India supplied by him to the Company for the giving of notices to him.

(2) Where a notice or other document is sent by post :

(a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice or document, provided that where a member has intimated to the Company in advance that notices or documents should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sufficient sum to defray the expenses of doing so, service of the notice or document shall not be deemed to be effected unless it is sent in the manner intimated by the member ; and

(b) Such service shall be deemed to have been effected :-

- (i) in the case of notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted and
- (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

165. A notice or other document advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him. Any member who has no registered address in India shall, if so required to do by the Company, supply the Company with an address in India for the giving of notices to him.

166. A notice or other documents may be served by the Company on the joint-holders of a share by giving the notice to the joint-holder named first in the Register in respect of the share.

167. A notice or other document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title or representatives of the deceased, or assignee of the insolvent or by any like description, at the address in India supplied for the purpose by the persons claiming to do so entitled, or, until such an address has been as supplied by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

168. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by advertisement.

169. Any notice required to be or which may be given by advertisement shall be advertised once in one or more newspapers circulating in the neighbourhood of the Office.

170. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

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171. 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 on the Register shall have been duly given to the person from whom he derives his title to such share.

172. Subject to the provisions of Article 167, any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member be then deceased and whether or not the Company have notice of his death be deemed to have been duly served in respect of any registered share, whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holders or joint-holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his heirs, executors or administrators and all persons, if any, jointly interested with him in any such share.

173. Subject to the provisions of Section 497 and 509 of the Act, in the event of a winding up of the Company, every member of the Company who is not for the time being in the town in which the Company's Registered Office is situate shall be bound, within eight weeks after the passing of an effective resolution to wind up the Company voluntarily or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some householder residing in the neighbourhood of the Office upon whom all summonses, notices process orders and judgements in regulation to or under the winding-up of the Company may be served and, in default of such nomination, the Liquidator of the Company shall be at liberty, on behalf of such member, to appoint some such person, and service upon any such appointee whether appointed by the member or the Liquidator shall be deemed to be good personal service on such member for all purposes, and where the Liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such member by advertisement in some daily newspaper circulating in the neighbourhood of the Office or by a registered letter sent by post and addressed to such member at his address as registered in the Register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the Ordinary course of the post. The provisions of this Article shall not prejudice the right of the Liquidator of the Company to serve any notice or other document in any other manner prescribed by these Articles.

#### KEEPING OF REGISTERS AND INSPECTION

174. The Company shall duly keep and maintain at the Registered office, in accordance with the requirements of the Act in that behalf, the following Registers :

- (1) A Register of Investment not held by the Company in its own name pursuant to Section 49 (7) of the Act.
- (2) A Register of charges pursuant to Section 143 of the Act.
- (3) A Register of Members pursuant to Section 150 and whenever the Company has more than 50 members, unless such Register of Members is in a form which itself constitutes, an index of members pursuant to Section 151 of the Act.
- (4) A Register of Renewed and Duplicate Certificates pursuant to Rule 7 (2) of the Companies (Issue of Share Certificates) Rules, 1960, or any statutory modification or re-enactment thereof.

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- (5) A Register of Debenture-holders pursuant to Section 152 and, whenever the Company has more than 50 Debenture-holders, unless such Register of Debenture-holders itself constitutes an index, an index of Debenture-holders pursuant to Section 152 (2) of the Act.
- (6) A Register of Contracts pursuant to Section 301 of the Act.
- (7) A Register of Directors, Manager, Managing Director and Secretary pursuant to Section 303 of the Act.
- (8) A Register of Directors, Shareholding pursuant to Section 307 of the Act.
- (9) A Register of Loans etc. made by the Company to companies under the same management pursuant to Section 370 of the Act.
- (10) A Register of investments made by the Company in shares and debentures of bodies corporate in the same group pursuant to Section 372 of the Act.

175. The Company shall comply with the provisions of Section 39, 118, 163, 196, 219, 301, 302, 304, 307, 370 and 372 of the Act as to the supplying of copies of the Registers, deeds, documents, instruments, returns, certificates and books therein mentioned to the persons therein specified when so required by such person on payment of the charges, if any, prescribed by the said Sections.

176. Where under any provisions of the Act any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the Company, the persons so entitled to inspection shall be permitted to inspect the same during the hours of 10 a.m. and 12 noon on such business days as the Act requires them to be open for inspection.

177. The Company may, after giving not less than seven days' previous notice by advertisement in some newspapers circulating in the district in which the registered office is situated, close the Register of Members or the Register of Debenture-holders, as the same may be, for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

### RECONSTRUCTION

178. On any sale of the undertaking of the Company, the Board or the Liquidators on a winding up, may if authorised by a Special Resolution, accept fully paid up or partly paid up share, debentures or securities of any other Company whether incorporated in India or not either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding up) may distribute such shares or securities, or any other property of the Company amongst the members without realisation or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation of 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, such statutory

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rights (if any) under Section 494 of the Act as are incapable of being varied or excluded by these Articles.

#### SECRECY

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

180. 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 premises or properties of the Company without the permission of the Board or subject to Article 153 to require discovery of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

#### WINDING UP

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

182. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may with the sanction of a Special Resolution, divide among the contributories, in specie or in kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trust for the benefit of the contributories, or any of them, as the liquidators, with like sanction, shall think fit.

#### INDEMNITY

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

Shakti

(38)

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

Names, addresses and description of subscribers	Signature of subscribers	Number of shares taken by each subscriber Equity	Witness
1. Hari Prasad Khetawat, S/o. Shri Kishanlal Khetawat, 113/1B, Chittaranjan Avenue, Calcutta-12 Businessman		Ten	
2. Phool Kumar Khetawat S/o. Shri Kishanlal Khetawat, 113/1B, Chittaranjan Avenue, Calcutta-12 Businessman		Ten	
3. Ramkishan Bagri S/o. Shri Radha Kishan Bagri, 10, Kalikrishana Tagore Street Calcutta-7. Businessman		Ten	
4. Kailash Chandra Barjatya, S/o. Seth Kalyanmal Barjatya, 1/1, Lord Sinha Road, "Natraj" Calcutta-17 Businessman		Ten	
5. Kamal Kumar Khetawat S/o. Shri Kishanlal Khetawat, 113/1B, Chittaranjan Avenue, Calcutta-12 Businessman		Ten	
6. Shanti Devi Khetawat, Wife of Shri H.P. Khetawat, 113/1B, Chittaranjan Avenue Calcutta-12 Housewife		Ten	
7. Kishanlal Khetawat S/o. Late Nathmull Khetawat 113/1B, Chittaranjan Avenue, Calcutta-12 Businessman		Ten	

Signature of Subscribers 1 to 7 witnessed  
Prakash Chandra Modi,  
S/o. Shri Damodar Das Modi,  
703-C, Block "P"  
New Alipore,  
Calcutta-53

Total Seventy Equity Shares

Dated the 19th day of June, 1971