

THE COMPANIES ACT, 1956  
PUBLIC COMPANY LIMITED BY SHARES  
**ARTICLES OF ASSOCIATION**  
**OF**  
**ASHIANA HOUSING LIMITED**

**1. Interpretation**

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

“The Act” means the Companies Act, 1956.

“The Company” means Ashiana Housing 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” means the Managing Director for the time being of the Company.

“The Secretary” means the Secretary, if any, 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 to be kept pursuant to Section 150 of the Act.

“The Registrar” means the Registrar of Companies, West Bengal.

“Dividend” includes bonus.

“Months” 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 visible form.

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

Words imparting persons include corporations.

Inserted vide  
Special Resolution  
dated 22.09.2001

**1A. Beneficial Owner** :- Beneficial owner means the Beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

**By Laws**:- By Laws means By-Laws made by depositories under section 26 of the Depositories Act, 1996.

**Depositories Act** : Depository Act means Depository Act, 1996 and includes any statutory modification or re- enactment thereof for the time being in force.

**Depository** : Depository shall mean a Depository as defined in the Depository Act 1996.

**SEBI** : SEBI means the Securities & Exchange Board of India.

**Security** : Security means shares, debentures or other securities as may be specified by Central Government, SEBI or other concerned authorities from time to time.

**Record** : Record include the records maintained in the form of Books or stored in a Computer or in such other form as may be specified or determined by the regulation made by SEBI.

**Share Holders or Member** : Share holders or Member means the duly registered holders from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every Persons holding Equity Shares and/or Preference Shares of the Company as also one whose name is entered as beneficial owner of the Shares in the record of the Depository.

**Register** : Register shall means Register of Member to be kept pursuant to Section 150 of the Companies Act, 1956 and unless it to be repugnant to the context or otherwise, the Registrar of Beneficial Owner in case of share are held in a Depository.

2. **Table “A” not to apply**

Save as reproduced herein the regulations contained in Table “A” the First Schedule to the Act shall not apply to the Company

3. **Company purchase its own Shares**

“Notwithstanding anything contained in the Articles, but subject to the provisions of sections 77A and 77B of the Act, the Company may purchase its own shares or other specified securities (hereinafter referred to “Buy-Back”) out of -

- (a) its free reserves; or
- (b) the securities premium account; or
- (c) the proceeds of any shares or other specified securities, in accordance with the provisions of sections 77A and 77B and rules prescribed by the Central Government and/or by the Securities and Exchange Board of India in this behalf.”

**SHARES**

4. **Division of Capital**

The share capital of the company shall be such amount as may be authorised from time to time.

5. **Allotment of Shares**

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 & conditions, and at such time, as the Board think fit and, if so authorised by the company in General Meeting give to any person the call of any shares either at par or at a premium and for such time, and for such consideration as the Board may think fit. Provided that where at any time (subsequent to the first allotment of shares) it is proposed to increase the subscribed capital of the Company by the issue of new shares, then subject to any directions to the contrary which may be given by the Company in the General Meeting, the Board shall issue such shares in the manner set out in the Section 81 (1) of the Act.

Inserted vide  
Special Resolution  
dated 19.09.2006

## **6. Return of Allotments**

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

## **7. Preference shares**

Subject to the provisions of the Section 80, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the opinion of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by special resolution, determine.

## **8. Commission and brokerage**

1. The Company may exercise the powers of paying commission conferred by Section 76, provided that the rate per cent, or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the section.
2. The rate of commission shall not exceed the rate of the five percent of the price at which the shares in respect whereof the same is paid are issued or any amount equal to five per cent of such price as the case may be.
3. The Commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
4. The company may also, on any issue of shares, pay such brokerage as may be lawful.

## **9. Shares at a discount**

With the previous authority of the Company in General Meeting and the sanction of the Company Law Board and upon otherwise complying with Section 79 of the Act the Board may issue at a discount shares of a class already issued.

## **10. Instalments on shares to be duly paid**

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

## **11. Liability of joint holders of shares**

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

## **12. Trust not recognized**

Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to be entirely thereof in the registered holder.

## **13. Who may be registered**

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.

## **CERTIFICATE**

## **14. Certificates**

The certificates of title to shares and duplicates thereof when necessary shall be issued under the Seal of the Company and signed by two Directors and the Secretary of the Company, or some other person appointed by the Directors.

15. Every member shall be entitled free of charge to one or more certificates in market lots for all certificate for all the shares of each class registered in this name or if any members so wishes to several certificates each for one or more of such share but in respect of each additional certificate, which does not comprise shares in lots of the market unit of trading, the Board may charge a fee of Rs. 2/- or such less sum as it may determine. Unless the conditions of issue of any shares otherwise provide, the company shall, either within three months after the date of allotment and on surrender to the company of its letter making the allotment or if its fractional coupons or requisite value (save in the case of issue against letter or acceptance of renunciation or in case of issue of bonus shares) or within one months on receipt of the application for registration of the transfer, subdivision, consolidation or renewal of any of its shares, as the case may be, complete and have ready for delivery the certificates of such shares in respect of any shares 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. For every certificate issued in replacement of an existing certificate save for those which are issue on a splitting or consideration or share certificates into lots of the market unit of which are old, decrepit, worn out or where cages on the reverse for recording transfers have been fully utilized, and for every other duplicate certificate the Board may charge a fee of Rs. 2/- or such smaller sum together with such out of pocket expenses incurred by the Company in investigation evidence as it may determine.
16. The issue of share certificate and duplicates and the issue of new share certificates on consolidation or sub-division or in replacement of share certificates which are surrendered for cancellation due to their being defaced, torn, old decrepit, or worn out or the cages for recording transfers having been utilized or of share certificate which are lost or destroyed shall be in accordance with the provisions of the companies (issue of Share Certificates) Rules, 1960, or any statutory modification or re-enactment thereof. If any share certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board and on in lieu thereof shall be given to the party entitled to the shares to which such lost or destroyed certificate shall relate.

#### **CALLS**

**17. Calls**

The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provision of Section 91 of the Act, make such calls as the Board think 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 persons and the times 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 authorizing such call was passed.

**18. Restriction on power to make calls and notice**

No call shall exceed one-fourth of the nominal amount of a share, or be made payable within one month after the last preceding call was payable. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

**19. When interest on call or instalment payable**

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 time being of the share in respect of which the call have been made or the instalment shall be due shall pay interest for the same at the rate of 12 per cent per annum from the day appointed for payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.

**20. Amount payable at fixed times or payable by instalments as calls**

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

## **21. Evidence in actions by company against Share holders**

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 shares, it shall be sufficient to prove that the name of the 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, not 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. Payment of calls in advance**

The Board may, if they think fit receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called from, 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 shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 6 percent per annum as the member paying such sum in advance and the Board agree upon. Money so paid in excess of the amount of calls shall not rank for dividends or participate in profits of the company or voting rights. The Board may at any time repay the amounts so advanced upon giving to such member not less than three months notice in writing.

## **23. Revocation of call**

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

### **FORFEITURE AND LIEN**

## **24. If call or instalment not paid, notice may be given**

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

## **25. Form of notice**

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 payable will be liable to be forfeited.

## **26. If notice not complied with shares may be forfeited**

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

## **27. Notice after forfeiture**

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

## **28. Forfeited share to become property of the Company**

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 they think fit.

**29. Power to annul forfeiture**

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

**30. Liability on forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, 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 of such shares at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at 2 per cent 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. Evidence of forfeiture**

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

**32. Company's lien on shares**

The Company shall have a first and paramount lien upon all the shares not being fully paid up registered in the name of each member (whether solely or jointly with others), and upon proceeds of sale thereof for moneys called or payable at a fixed time in respect of such shares whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 12 thereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

**33. As to enforcing lien by sale**

For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing or the intention to sell 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 shares for seven days after the date of such notice.

**34. Application of proceeds of sale**

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 sum not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

**35. Validity of sales in exercise of lien and after forfeiture**

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

**36. Board may issue New Certificates**

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

**TRANSFER AND TRANSMISSION**

**37. In that case Board may refuse to register transfer**

The Board shall not refuse to register any properly executed transfer of shares on which company has no lien and in the case of a share not fully paid up, may refuse to register a transfer to a transferee of whom the Board does not approve. Provided that registration of a transfer of shares 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.

**38. Execution of transfer etc.**

Save as provided in Section 108 of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or if no such certificate is in existence, the Letter of Allotment of the Shares. The instrument of transfer of any share shall specify the name, address, and occupation (if any) both of the transferor and of 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 witness who shall add his address.

**39. Application by transferor**

Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor no registration shall in the case of partly paid shares be effected unless the company give notice of the application to the transferee in the manner prescribed by Section 111 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.

**39A.** The registration of transfer of the shares of the company shall be refused only in accordance with the provisions contained in section 27A of the Securities Contracts (Regulation) Act, 1956.

**40. Form of transfer**

The instrument of transfer shall be in the form prescribed by the Act.

**41. No transfer to person of unsound mind.**

No transfer shall be in the form prescribed by the Act.

**42. Transfer to be left at office when to be retained**

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

**43. Notice of refusal to register transfer**

If the Board refuse to register the transfer of any shares, the Company shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal.

**44. Fee for registration of transfer, probate etc.**

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

**45. Transmission of registered shares**

The executor or administrator of a deceased member (not being one of several joint-holders) shall be the only person recognized by the Company as having any title to the shares registered in the name of such member, and, in case of death of any one or more of the joint-holders of any registered shares, the survivor shall be the only person recognized by the company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognizing any executor or administrator the Board may require him to obtain a grant of Probate or Letters of Administration or other legal representation as the case may be from some competent Court in India and having effect in West Bengal. Provided nevertheless that in any case where the Board in their absolute discretion think fit it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in their absolute discretion, may consider adequate.

**46. As to transfer of share of insane, infant deceased or bankrupt members**

Any person becoming entitled to or to transfer shares in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board think 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 shares, or may subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as "The Transmission article".

**47. Election under the Transmission articles**

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

**48. Rights of persons entitled to shares under the Article**

A person so becoming entitled under the Transmission article to share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall, subject to the Provision of Article 79 and of Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Shares.

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 shares, and if the notice is not completed with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys in respect of the Shares.

**48A** Notwithstanding anything contained in Articles 47 & 48 or any other Law for the time being in force, where a nomination has been made in the manner prescribed in Section 109A of the Companies Act, 1956 purporting to confer on any person the right to vest the Shares in , or debentures of the Company, the nominee shall,

Amended  
Vide Special  
Resolution  
dated 25.09.1999

on the death of the Shareholder or holders of debentures of the Company or as the case may be, on the death of the joint holders, become entitled to all the right in the shares or debentures of the Company to the exclusion of other person, unless the nomination is varied or cancelled in the prescribed manner and the provisions contained in the Section 109A and 109B of the Companies Act, 1956 shall be applicable to all such case.”

Inserted vide  
Special Resolution  
dated 02.09.2001

#### **48B. DEMATERIALISATION OF SHARE**

- (a) Notwithstanding any thing to the contrary contained in these Articles, the Company shall be entered as nad when declared by the board of Director to dematerialisation or rematerialisation of shares, or debenture and/or other securities (both Existing and future) and to offer its shares debenture and other securities for subscription in a dematerialised form pursuant to Depositories Act, 1996 and the rules framed thereunder.
- (b) Every person subscribing to securities offered by the Company shall have the option to receive security certificate or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner and within the time prescribed issued to the beneficial owner the required certificates of the securities.
- (c) If a person opt to hold his security with a depository, the Company shall intimate such depository, the details of allotment of the security and on the receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- (d) All the securities held by the depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 187C, 187B, and 372A of the Companies Act, 1956 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners:
  - (i) Notwithstanding any thing contrary contained in the Act or these Articles a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
  - (ii) Save as otherwise provided in (i) above, the depository as the registered owner of the securities shall not have any voting rights or any rights or any rights in respect of the securities held by it.
  - (iii) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the security shall be entitled to all rights and benefit and be subject to all the liabilities in respect of his securities, which are held by a depository.
- (e) Notwithstanding any thing contained in the Act or these Articles to the contrary, where securities are held in a depository, the record of the beneficial ownership may be served by such depository on the company by means of electronics mode or by delivery of floppies or discs.
- (f) Nothing contained in Section 83 and 108 of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by transferor and transferee, both of whom are entered as beneficial owner in the records of a depository.
- (g) Notwithstanding anything contained in the Act or these Articles, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- (h) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

- (i) The Register and Index of beneficial owners maintained by the depository under Section 11 of the Depository Act, 1996 shall be deemed to be the Register & Index of Members and Security holders for the purpose of the Act.
- (j) If a beneficial owner seeks to opt out of a depository in respect of any Security, the beneficial owner shall inform to the depository accordingly. The depository shall, on receipt of intimation as above, make appropriate entries in its record and shall inform to the Company accordingly.
- (k) No stamp duty would be payable on shares and securities held in dematerialisation form in any medium as may be permitted by law including any form of electronic medium.

#### **INCREASE OF CAPITAL**

##### **49. Power to increase capital**

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. On what conditions new shares may be issued**

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. Provisions relating to the issue**

Before the issue of any new shares, the Company in General Meeting may make provisions as to the allotment and issue of the new shares, and in the particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium or, subject to the provisions of Section 79 of the Act, at a discount, in default of any such provision, or so far as the same shall not extend, the new shares may be dealt with as if they formed part of the shares in the Original Capital, and the provision of Article 5 shall then apply.

##### **52. How far new shares to rank with shares in Original Capital**

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

##### **53. Inequality in number of new shares**

If, owing to any inequality in the number of new shares to be issue, and the number of shares held by members entitled to have to offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in General Meeting, be determined by the Board.

#### **ALTERATION AND REDUCTION OF CAPITAL**

##### **54. Reduction of Capital etc.**

The Company may from time to time by Special Resolution reduce its capital and any capital redemption reserve fund or share premium account in any manner and with subject to any incident authorization and consent required by law.

##### **55. Power to subdivide and consolidate shares**

**The Company in General Meeting may—**

- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

- c) cancel any shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by the person and diminish the amount of its share capital by the amount of the shares so cancelled.
- d) convert any fully paid up shares into stock and reconvert any stock into fully paid up shares of any determinations.

#### **56. Subdivision into Preferred and Ordinary**

The resolution whereby any share in subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the others or other, subject, nevertheless, to the provisions of Section 87, 88 and 106 of the Act.

#### **57. Surrender of Shares**

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.

### **MODIFICATION OF RIGHTS**

#### **58. Power to modify rights**

- i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 106 and 107, and 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.
- ii) To every such separate general meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question

### **BORROWING POWERS**

#### **59. Power to borrow**

The Board may from time to time, at their discretion subject to the provisions of Section 58A, 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.

#### **60. Conditions on which money may be borrowed**

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

#### **61. Issued at discount or with special privileges**

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, debenture stock, bonds and other securities with a right to allotment of or conversion into shares shall not be issued except with the sanction of the company in General Meeting.

#### **62. Instrument of transfer**

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

### **63. Notice of refusal to register transfer**

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.

## **GENERAL MEETING**

### **64. When Annual General Meetings to be held**

In addition to any other meeting, 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 provision of Section 166 (2) of the Act, at such times and places as may be determined by the Board. Such general meetings shall be called "annual general" meetings and shall be specified as such in the notice convening the meeting. All other meetings of the Company shall be called "extraordinary general meetings".

### **65. When extraordinary Meetings to be called**

The Board may whenever they think fit call an extraordinary general meeting, and they shall on the requisition of such number of members as they 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 office. The requisition may consist of several documents in like form each signed by one 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 hereinbefore specified.
3. If the Board does not, written 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 enabled 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 meetings are to be called by the Board but shall be held at the office.
5. Where two or more persons held any shares jointly a requisition or notice calling a meeting signed by one or two of them shall for the purposes of this Article have the same force and effects as if it had been signed by all of them.
6. Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company and any sum so repaid shall be retained by the Company out of any sum 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.

### **66. Circulation of members resolutions**

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.

### **67. Notice of meeting**

Save as provided in sub-section (2) of Section 171 of the Act not less than twenty-one day's 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 as to be transacted there at. 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 in insolvency of a member in any manner hereinafter authorised for the giving of notice to such persons.

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

#### **PROCEEDING AT GENERAL MEETINGS**

**68. Business of Meeting**

The ordinary business of an Annual General Meeting shall be receive and consider the Profit and Loss Account, the Balance Sheet and Reports of the Directors, and to 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 an Annual General Meeting and all business transacted at an Extraordinary Meeting shall be deemed special business.

**69. Quorum to be present when business commenced**

No business shall be transacted at any General Meeting unless quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided five members present in person shall be quorum.

**70. Resolution to be passed by Company in General Meeting**

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.

Inserted vide  
Special Resolution  
dated 22.09.2001

**70A. Passing of Resolution by Postal Ballot**

Notwithstanding anything contained in the Articles of Association of the Company, the Company do adopt the mode of passing a resolution by the members of the company by means of postal ballot and/or other ways in the manner and in respect of business as may be prescribed under Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and/or other Rules as the Central Government, may notification prescribe in this behalf.

**71. Chairman of General Meeting**

The Chairman of the Board shall be entitled to lake the chair at every General Meeting. If there be no such Chairman, or 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 it properly demanded, elect one of their number, being a member entitled to vote, to be Chairman.

**72. When if quorum not present, meeting to be dissolved and when to be adjourned**

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 be same day in the next week, at the same time and place, or to such other day at such time and place as the Board may by notice appoint.

**73. How questions to be decided at meeting Casting vote**

Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes, both on a show of hands and on 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.

#### **74. Casting Vote**

At any general meeting unless a poll is (before on the declaration of the result of the show of hands) demanded in accordance with provisions of Section 179 of the Act, a declaration by the chairman that the resolution has or has not been carried or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of fact, without proof of number or proportion of the votes cast in favour of or against resolution.

75. 1. If a poll be demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman and in any other case in such manner and at such time, not being later than forty-eight hours from the time when the demand was made, and at such place as the Chairman of the meeting directs, and, subject as aforesaid, either at once or after an interval or Adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.
2. The demand of a pool may be withdrawn at any time.
3. Where a pool 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 scrutinize the votes given on the poll and to report to him thereon
4. On a poll a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not if he votes, use all his votes or cast in the same way all the votes he uses.
5. The demand 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.

#### **76. Power to adjourn General meeting and determine right to vote**

1. The Chairman of a General Meeting may with the consent of the Meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
2. When a meeting is adjourned for thirty-days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in article 73 it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

### **VOTES OF MEMBERS**

#### **77. Votes of members**

On a show of hands, every member present in person shall have one vote and upon a poll every member present in person or by proxy shall have one vote for every share held by him, provided that no company shall vote by proxy so long as a resolution of its Directors under the provisions of Section 187 of the Act is in force.

#### **78. Procedure where a company is a member of the Company**

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 provisions of Section 187 of the Act to represent such member company at a meeting of the Company, shall not, by reason of such appointment be deemed to be a proxy, and the production at the meeting of a copy of such resolution duly signed by one Director of such member company and certified by him as being a true copy of the resolution shall, 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 right and power, including the right to vote by proxy on behalf of the member company, which he represents, as that member company could exercise.

**79. Vote in respect of deceased, insane and insolvent members**

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 were the registered holder of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the 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 by 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.

**80. Joint holders**

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 share 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 stands first on the Register in respect of such share shall alone be entitled to vote in respect thereof Several executors or administrators of a deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

**81. Proxies permitted**

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.

**82. Instrument appointing proxy to be in writing**

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorised in writing or if such appointer is a body corporate be under his 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.

**82A. Proxies may be general or special**

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

**83. Instrument appointing a Proxy to be deposited at the Office**

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 office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.

**84. When vote by proxy valid though authority revoked**

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

**85. Restrictions on voting**

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.

**86. Admission or rejection of votes**

- i) Any objection as to the admission or rejection of a vote, either 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.
- ii) 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**

**87. Number of Directors**

Until otherwise determined by special Resolution the number of the Directors of the company shall not be less than three nor more than twelve.

**88. Proportion to retire by rotation**

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.

**89. At the date of the adoption of these Articles, the following persons are Directors of Company:-**

1. **SRI BADRI PRASAD GUPTA**
2. **SRI OM PRAKASH GUPTA**
3. **SRI LALIT KUMAR CHHAWCHHARIA**

**90. Power of Directors to add to their number**

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

**91. Qualification of Directors**

A Director shall not be required to hold any qualification share.

**92. Without Prejudice to the restrictions imposed by section 266 of the Act, a Director who is required to hold qualification shares may Act as Director before 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 approved by the State Government shall file with the company a declaration specifying the qualification shares held by him within two months from his appointment as a Director.**

**93. Directors fees, remuneration and expenses**

Unless otherwise determined by the Company in General Meeting, each Director shall be entitled to receive out of the funds for the Company for his services in attending meetings of the Board a fee of Rs. 5000/- per meeting of the Board attended by him. 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 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 traveling and hotel and other expenses incurred in consequence of their attending at Board and Committee meetings, and otherwise in the execution of their duties as Directors.

Sitting fee  
increased vide  
Special Resolu-  
tion dated  
23.09.2005

#### **94. Remuneration for extra services**

Subject to the provisions of the Act, 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 place of his ordinary residence for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a Committee of the Board then, subject to Sections 198, 309 and 310 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.

#### **95. Board may act notwithstanding vacancy**

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.

#### **96. Vacation of the office of Director**

1. The office of a Director shall ipso facto be vacated if :
  - a) he is found to be of unsound mind by a Court of Competent jurisdiction; or
  - b) he applies to be adjudicated an insolvent; or
  - c) he is adjudged an insolvent: or
  - d) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months; or
  - e) he fails to pay any calls 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; or
  - f) 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
  - g) he, or any firm of which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or
  - h) he acts in contravention of Section 299 of the Act; or
  - i) he becomes disqualified by an order of Court under Section 203 of the Act; or
  - j) he be removed from office in pursuance of Section 284 of the Act; or
  - k) he notices in writing to the Company he resigns his office; or
  - l) he or any partner or relative of his, or any firm of which he or his relative is a partner, or any private company of which he is a director or member, without the previous sanction of the Company accorded by Special Resolution, accepts or holds any office or place of profit under the Company or under any subsidiary of the Company in contravention of Section 314 of the Act.
2. Notwithstanding any matter or thing in sub-clauses (c), (d) and (i) of clause (1), the disqualification referred to in those sub-clauses 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.

**97. Holding of office or place of profit in the company or its subsidiary**

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

**98. Condition under which Directors may contract with company**

Subject to the provisions of Section 297 of the Act a Director shall not be disqualified from contracting with 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 such Director be 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 so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding office or of the fiduciary relation thereby established.

**99. Disclosure of a Director's interest**

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 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 special 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 in closure 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 of 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.

- 100.** 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 or indemnity against any loss which the Directors or any of them may suffer by reason of 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 not more than shares of such number or value therein as is requisite to qualify him for appointing as a director thereof, he having been nominated as such director by the Company.

**ALTERNATE DIRECTORS**

**101. Power to appoint Alternate Director**

The Board may appoint any person to act as an 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 appoint shall have effect and such appointee, whilst he holds 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 meeting of the Board are ordinarily held or the absent Director vacates office as a Director.

**PROCEEDINGS OF DIRECTORS**

**102. Meeting of Directors**

The Board shall meet together at least once in every three months for the dispatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director. Unless otherwise determined from time to time and any time by the consent of all the Directors for the time being in India, meeting of the Board shall take place at the office.

**103. Director may summon meeting**

A Director may at any time, convene a meeting of the Board.

#### **104. Chairman**

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

#### **105. Quorum**

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.

#### **106. Power of quorum**

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, for the time being vested in or exercisable by the Board.

#### **107. How questions to be decided**

Subject to the provisions of Sections 316, 372(4) 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.

#### **108. Power to appoint Committees and to delegate**

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

#### **109. Proceedings of Committee**

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 are not superseded by any regulations made by the Board under the last preceding Article.

#### **110. When acts of a Director valid notwithstanding defective appointment etc.**

Acts done by a person 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 has terminated by virtue of any provisions 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.

#### **111. Resolution without Board Meeting**

Save in those cases where a resolution is required by Sections 262, 292, 297, 316, 372 (4) 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 Directors, 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.

## MINUTES

### 112. Minutes to be made

1. The Board shall cause Minutes to be duly entered in books provided for the purposes;
  - a) of the names of the 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 Committee 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 Committee 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;
  - b) is irrelevant or immaterial to the proceedings;
  - c) is detrimental to the interest 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 purporting to be signed by the Chairman of such meeting, or by the chairman of the next succeeding meeting, shall be evidence of the matters stated in such Minutes.

The Minutes Books of General Meeting of the Company shall be kept at the office and shall be open to inspection by members on business days between the hours of 10.30 A.M. and 12.30 P.M.

## POWERS OF DIRECTORS

### 113. General Power of Company vested in Directors

Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such 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 other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting, Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles or in any regulations not inconsistent therewith and duly made thereunder, including regulation made by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid in that regulation had not been made;

## MANAGING DIRECTOR

### 114. Power to appoint Managing Director

Subject to the provisions 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 not exceeding for a period of five years for which or they is or are to hold such office and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office appoint another or others in his or their place or places.

### 115. To what provisions Shall be subject.

A Managing Director shall (subject to the provisions of any contract between him and the Company) 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.

#### **116. Remuneration of Managing Director**

Subject to the provisions of the Act, a Managing Director shall, receive such remuneration as may from time to time be sanctioned by the Company.

#### **117. Powers of Managing Director**

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

#### **THE SEAL**

Amended  
Vide Special  
Resolution  
dated 26.09.1998

#### **118. Custody of Seal**

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 one Director at least and the Secretary of the Company if any shall sign every instrument to which the seal is affixed provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.

#### **ANNUAL RETURNS**

#### **119. Annual Returns**

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

#### **DIVIDENDS AND RESERVES**

#### **120. Declaration of Dividends**

Subject to the provisions of the Act, the Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

#### **121. Interim dividend**

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

#### **122. Setting aside reserve out of profits**

1. Subject to the provisions of the Act, the Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserve or reserves which shall, at the discretion of the Board be applicable for any purpose to which the profits of the Company may be properly applied, including provisions for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company as the Board may, from time to time, think fit.
2. The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.

#### **123. Calculation of dividends**

1. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the

amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid, upon any of the shares in Company, dividends may be declared and paid according to the amounts of the shares.

2. No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this regulation as paid on the share.
3. All dividends shall be appointed and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

#### **124. Deduction of calls etc. from dividend**

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.

#### **125. Payment of dividend or bonus by distribution of specific assets**

1. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus, wholly or partly, by the distribution of specific assets, and the Board shall give effect to the resolution of the meeting.
2. Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments 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 any such specific assets in trustees as may seem expedient to the Board.

#### **126. Payment of dividend by cheque or warrant**

1. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed 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 first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
2. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

#### **127. Receipts in case of joint-holders**

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

#### **128. Notice of declaration of dividend**

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. No unclaimed or unpaid dividend shall be forfeited by the Board and the company shall comply with all the provisions of section 205 A of the Act in respect of any unclaimed or unpaid dividend.

#### **129. Dividends not to bear interest**

No dividend shall bear interest against the Company.

### **INSPECTION**

#### **130. Inspection of accounts and books**

1. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be opened to the inspection of members not being Directors.
2. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

## **CAPITALISATION ON PROFITS**

### **131. Capitalisation on profits and distribution thereof**

1. The Company in general meeting may, upon the recommendation of the Board, resolve;
  - a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - b. that such sum be accordingly set for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
2. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3), either in or towards;
  - i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - ii) paying up in full, unissued shares or debentures of the company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid;
  - iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii),
3. a share premium account and a capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
4. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

### **132. Appropriations, application and allotments of capitalized profits**

1. Whenever such a resolution as aforesaid shall have been passed, the Board shall;
  - a. make all appropriations and application of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares or debentures, if any; and
  - b. generally do all acts and things required to give effect thereto.
2. The Board shall have full power:
  - a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and also.
  - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any part of the amounts remaining unpaid on their existing shares.
3. Any agreement made under such authority shall be effective and binding on all such members.

## **BOOKS AND DOCUMENTS**

### **133. Books of Accounts to be preserved**

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

### **134. Where to be kept**

The books of accounts shall be kept at the office or at such other place in India as the Board think fit and shall be open to inspection by any Director during business hours.

### **135. Inspection of members**

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 accounts and books and documents other than those referred to in Articles 130 (2) shall be open to the inspection of the members not being Directors; and to member (not being a Director) shall have any right of inspecting any books of accounts or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

### **136. Profit & Loss Account and Balance Sheet**

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 and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and Schedule VI to the Act so far as they are applicable to the Company, but, save as 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 they may deem expedient.

### **137. Annual Report of Directors**

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

### **138. Copies to be sent to members and others**

A copy of every Balance Sheet (including the Profit and 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 the section.

### **139. Copies of Balance Sheets etc. to be filed**

The Company shall comply with Section 220 of the Act as to filing copies of the Balance Sheet with the Registrar.

## **SERVICE OF NOTICE AND DOCUMENTS**

### **140. How notices to be served on members**

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 notice 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 acknowledgement 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 members; and
  - b. Unless the contrary is proved, such service shall be deemed to have been effected—
    - i) in the case of a meeting at the expiration of forth-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.

#### **141. Notices to members who have not supplied address**

A notices 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 notice 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 notice to him.

#### **142. Notices to members who have not supplied address**

A notice or other document 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.

#### **143. Notice to persons entitled by transmission**

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

#### **144. When notice may be given by advertisement**

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

#### **145. How to be advertised**

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.

#### **146. When notice by advertisement deemed to be served**

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

#### **147. Transferee, etc, bound by prior notices**

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 be duly given to the person from whom he derives his title to such share.

#### **148. Notice valid though member deceased**

Subject to the provisions of Article 46 any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall; notwithstanding such member be then deceased and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs; executors or administrators and all persons if any jointly interested with him or her in any such shares.

#### **149. Service of process in winding up**

Subject to the provisions of Sections 497 and 509 of the Act, in the event of a winding up of the Company, every member of the Company who is not for the time being in the neighbourhood of the Office 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 of 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 judgments in relation to or under the winding-up of the Company may be

served and in default of such nomination the Liquidator of the Company shall be at liberty on behalf of such 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 newspapers circulating in the neighbourhood of 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.

## **RECONSTRUCTION**

### **150. Reconstruction**

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

## **SECURITY**

### **151. Secrecy**

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 which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

### **152. No share-holder to enter the premises of the Company without permission**

No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties 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 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 members of the Company to communicate.

## **WINDING - UP**

**153.** If the Company shall be wound-up and 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 the commencement of the winding-up on the shares held by them respectively. And if in 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.

154. 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 kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them as the Liquidators, with the like sanction, shall think fit.

#### **INDEMNITY**

155. Every Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Manager, Secretary or Officer or Auditor in defending and 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.

**Note : Italic words indicates insertion / alteration approved in the share holders meeting held on 15th August 1992.**

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

Sl. No.	Names, Addresses Descriptions and Occupation of subscribers	No. of Equity Shares taken by each subscriber	Name, Address Description, Occupation and Signature of Witness
1.	<b>BADRI PRASAD GUPTA</b> S/O Late Jeth Mull Gupta, 237, Patliputra Colony, Patna - 800 013. - Business	10 (Ten)	<p style="text-align: center;">Witness to all: Pradeep Kumar Chhawachharia S/o Late B. Chhawachharia 75, Park Street, Calcutta - 700 016 Chartered Accountant</p>
2.	<b>OM PRAKASH GUPTA,</b> S/O Badri Prasad Gupta 237, Patliputra Colony, Patna - 800 013. - Business	10 (Ten)	
3.	<b>LALIT KUMAR CHHAWCHHARIA,</b> S/O Keshardeo Chhawchharia, 147, M.G. Road, Calcutta - 700 007. - Service	10 (Ten)	
4.	<b>KESHARDEO CHHAWCHHARIA,</b> S/O Late Sewdutraai Chhawchharia, 147, M.G. Road, Calcutta - 700 007. - Business	10 (Ten)	
5.	<b>BHABESH CHANDRA KHAN</b> S/O Shri Sukdeb Khan, 73/ B, Baghbazar Street, Calcutta - 700 003. - Service	10 (Ten)	
6.	<b>PAWAN KUMAR LOHIA</b> S/O Shri Nihal Chand Lohia 13, Dhan Debi Khanna Road, Calcutta - 700 054. -Business	10 (Ten)	
7.	<b>SURESH KUMAR GUPTA,</b> S/O Shri Kedar Mal Gupta, 54, Beck Bagan Row, Calcutta - 700 017 - Service	10 (Ten)	
		70 (Seventy)	

Dated this 18th day of June, 1986





