

THE COMPANIES ACT, 1996
(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION OF EMA INDIA LIMITED

(Adopted by a Special Resolution Passed at the Extra-Ordinary)
General Meeting of the Company held on 27th January, 1976.)

I. INTERPRETATION

1. (a) Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Companies Act, 1996 or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

Interpretation

(b) In these Articles :-

Definition

- (i) 'the Act' means the companies Act, 1996;
- (ii) 'the Company' means "Ema India Limited",
- (iii) 'The Office' means the Registered office, for the time being, of the Company;
- (iv) 'Proxy' includes an attorney duly constituted under a power of attorney;
- (v) 'the Seal' means the Common Seal of the Company;
- (vi) 'in writing' and 'written' include printing, lithography and other modes of representing or reproducing words in a visible form;
- (vii) words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include females and words importing persons shall include bodies corporate; and
- (viii) marginal notes are inserted for convenience only and shall not affect the construction of these Articles.
- (ix) 'Depositories Act' means the Depositories Act, 1996 and includes where the context so permits, any re-enactment or statutory modification (s) thereof for the time being in force. *
- (x) 'Beneficial Owner' means Beneficial owner as defined in clause (a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.
- (xi) 'Depository' means a Depository as defined in clause (e) of Sub-Section 1 of Section 2 of the Depositories Act, 1996.

II. PRELIMINARY

2. Save as provided herein, the regulations contained in Table 'A' in Schedule I to the Act shall not apply to the Company.

Table 'A' not to apply

3. Subject to the provisions of Section 77A and 77B of the Companies Act, 1956 and subject to such other approvals, permission and sanctions as may be necessary, the Company shall be entitled to buy back its own securities from the existing shareholders, odd lot holders or from open market, out of its free reserves, or Securities Premium Account or the proceeds of any issue

Buy back of its own securities

of shares or securities made for the purpose or such other method as may be permitted on such terms and conditions as may be prescribed by law from time to time.

4. The preceding Article shall not be deemed to effect the power of the company to enforce repayment of loans to members, persons in the employment of the Company or to exercise a lien conferred on the Company under these Articles.

Power to
enforce
payment of
loans and
lien

III. CAPITAL

(1) SHARES

5. The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

Authorised
Capital

Power to
issue
Preference
Shares

6. Subject to the provisions of these Articles and of Section 80 of the Act, the Company shall have power to issue preference shares, which are, or at the option of the Company are to be liable to be redeemed on such terms and in such manner as the Company may determine.

Allotment
of Shares

Further
issue of
Capital by
Directors

7. Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons, on such terms and conditions, and at such times, as the Directors think fit and with power to issue any shares as fully paid up for consideration other than cash. Provided that where the Directors decide to Increase the issued capital of the Company by the issue of further shares, the provisions of Section 81 of the Act shall be complied with. The Directors, with the sanction of the Company in General Meeting shall have full power to give to any person the right to call for the allotment of any shares either at par or at a premium, and for such period, and for such consideration as the Directors think fit.

Power to issue
shares at
Discount

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

Power to issue
shares
at Premium

9. Subject to the provisions of the Act and these Articles, it shall be lawful for the Company to issue at premium shares of a class already issued.

Power to pay
commission for
placing shares

10. The Company may, subject to compliance with the provisions of Section 76 of the Act, exercise the power of paying commission on the issue of shares and debentures. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company.

Power to pay
brokerage
Trusts not
recognised

11. The Company may pay a reasonable sum by way of brokerage.



Chhangana

12. (a) Save as herein otherwise provided, the Company shall be entitled thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by law required, be bound to recognise any trust, benami or equitable or other claim to or interest in such shares on the part of any other person or any interest in any fractional part of a share whether or not it shall have express or other notice thereof.

(b) Notwithstanding anything contained herein where any declaration referred to in sub-sections (1), (2) or (3) of Section 187 C of the Act is made to the Company, the Company shall make a note of such declaration in its Register of Members simply to comply with the requirements of sub-section (4) of that Section.

(c) Save as herein provided the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the Beneficial Owner of shares in the records of the Depository, as the absolute owner thereof as regards receipt of dividend or bonus or rights or service of notice or any other matters connected with the Company and accordingly Company shall not, except as ordered by Court of competent jurisdiction or as by law required, be bound to recognise any beneficial trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

Who may
be registered

13. Subject to the provisions of Article 17(a), shares in the Company may be registered in the name of any person, company or other body corporate, either singly or jointly.

(2) CERTIFICATES

Certificates

14. The certificates of title of shares and duplicates thereof when necessary shall be issued under the Seal of the Company which shall be affixed in the presence of (i) two Directors or a Director and a person acting on behalf of another Director under a duly registered power-of-attorney or two persons acting as attorney for two Directors as aforesaid; and (ii) the Secretary or some other person appointed by the Board for the purpose, all of whom shall sign such share certificate.

Members right
to Certificate

15. Every member shall be entitled free of charge to one or more certificates for all the shares of each class registered in his name in marketable lots, or if the Board so approves to several certificates each for one or more of such shares, but in respect of each additional certificate, the company, if the Board so determines, shall be entitled to charge a fee of not exceeding rupee one.

15A. Notwithstanding anything contained in Articles 15, the directors may refuse applications for subdivision or consolidation of share certificate into denominations of less than fifty equity and five preference shares excepts when such sub-division or

Minimum lots of
Sub-division/
consolidation

consolidation is required to be made to comply with a statutory order or an order of a competent court of law.

16. If any certificate be worn out, torn, defaced or otherwise mutilated or rendered useless, or if there be no further space on the back thereof for endorsement of transfers, then upon production thereof of the Directors, they may order the same to be cancelled, and may issue a new certificate in lieu thereof. If any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the directors, and on such indemnity as the Directors deems adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. The foregoing provisions are subject to Companies (Issue of Share Certificates) Rules, 1960 for the time being in force.

As to issue of new certificate in place of one defaced, lost or destroyed, etc.

16.A. (1) The Company shall not charge any fee,

(a) for registration of transfer of shares and debentures;

(b) for sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and split, consolidation, Renewal and Pucca Transfer receipts into denominations corresponding to the market units of trading;

(c) for sub-division of renounceable Letters or right;

(d) for issue of new certificates in replacement of those are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized; and

(e) for registration of any power of Attorney, probate, letters of Administration or similar other documents.

(2) The Company agrees that it will not charge any fees exceeding those which may be agreed upon with the Exchange,

(a) for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed;

(b) for sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading.

16.B.

i. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other marketable securities and to offer the same for subscription in a dematerialised form, rematerialise its shares, debentures and other marketable securities held in Depository and/or to issue fresh shares, debentures and other marketable securities in a dematerialised form pursuant to the Depositories Act, 1996 and any rules framed thereunder.

ii. All the securities held in the depository mode with a depository shall be dematerialised and be in a fungible form and nothing contained in the Act, or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to them.

- iii. On receipt of certificate of shares surrendered by a person who has entered into any agreement with the depository, the Company shall cancel such certificate and substitute in its records the name of the depository as the registered owner in respect of the said shares and shall also inform the depository accordingly.
- iv. If a Beneficial owner opts out of the depository in respect of any securities of the Company and the Company receives intimation thereof from the depository, the Company shall on fulfillment of such conditions and on payment of such fees as may be prescribed or determined by the Board, issue a Certificate in respect of the said shares to the beneficial owner or the transferee, as the case may be.
- v. For the purpose of this Article, the Registers and Indices of Members and Debentureholders or any other security holders shall be deemed to include the Registers and Indices of Beneficial Owners maintained under the Depositories Act, 1996 by every Depository in respect of securities issued by the Company.

(3) JOINT HOLDERS

Joint Holders	17. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to the provisions following and to other provisions of these Articles relating to joint-holders :-
Maximum number	a. The Company shall not be bound to register more than three persons as the joint-holders of any shares.
Liability several as well as joint	b. The joint-holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.
Survivors of joint-holders only recognised	c. On the death of any of such joint-holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit.
Delivery of certificate	d. Only the Persons whose name stands first in the Register of Members as one of the joint-holders of any shares shall be entitled to delivery of the Certificate relating to such share and to the payment of dividend in respect thereof.
	17.A Notwithstanding anything contained herein a member or the Beneficial Owner as the case may be, has a right to nominate one or more person as his/her nominee(s) to be entitled to rights and privileges as may be permitted under the law in the event of the death of the said member(s) or beneficial owner(s) subject to the provisions of the Companies Act, 1956.

(4) Calls

Call	18. Subject to the provisions of the Act the Directors may, from time to time, subject to the terms on which any shares may have been issued, make such calls as they 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 at the times and places appointed by the Directors. A call may be made payable by instalments.
When call deemed to have been made.	19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
Calls can be revoked/postponed. Notice of call	

Amount payable at fixed times or by instalments payable as calls

When interest on call or instalment payable

Evidence in actions by the Company against members

20. A call may be revoked or postponed at the discretion of the Directors.
21. Not less than 30 days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

22. If by the terms of issue of any share or otherwise, the whole or part of the amount or issue price thereof is made payable at any fixed time or by instalments at fixed times, every such amount or issue price or instalment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in respect of call shall apply to such amount or issue price or instalment accordingly.

23. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the member for the time being in respect of the shares and/or debentures for which the call shall have been made or the instalment shall be due shall pay interest for the same from the day appointed for the payment thereof to the time of actual payment at such rate not exceeding 25% per annum as the Directors may determine, provided, however, the Directors shall have power to waive or reduce payment of interest.

24. On the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant as, or was, when the claim arose, in the Register of Members of the Company is as a holder or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call, nor that a quorum of Directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

25. The Directors may if think fit, receive from any member willing to advance the same, all or any part of the capital due upon the shares held by him beyond the sums for which calls shall have been made and upon the money so paid 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 as the member paying such sum in advance and the Directors agree upon. No voting rights in respect of the moneys so paid in advance shall be exercisable until the moneys shall have become payable. Moneys so paid in excess of the amount of calls shall not rank for dividend or participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as a part of its capital and the Board may at any time repay the amount so advanced upon giving to such member not less than three month notice in writing.

Payment of calls in advance

(5) FORFEITURE & LIEN

26. If any member fails to pay any call or instalment on or before the day appointed for payment of the same, the Directors 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

If call or instalment not paid notice may be given

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.

27. The notice shall name a day (not being less than 30 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 or places appointed, the share in respect of which such call was made or instalment is payable will be liable to be forfeited.

Form of notice

28. If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

If notice not
complied with
shares may be
forfeited

29. When any share shall have been so forfeited, notice of the forfeiture 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 of Members but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Notice after
forfeiture

30. Any share so forfeited shall be deemed to be the property of the Company and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit.

Forfeited shares to
become property of
the Company.

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

Directors may
annul forfeiture

Arrears to
be paid
notwithstan-
ding
forfeiture

32. Any member whose shares have been forfeited shall notwithstanding such forfeiture be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses, owing upon or in respect of such shares at the time of the forfeiture, together with interest thereupon from the time of the forfeiture until payment at such rate not exceeding 15 percent per annum as the Directors may determine and the Directors may enforce the payment thereof without any deduction or allowance for the value of the shares at the time of forfeiture but shall not be under any obligation to do so.

Effect of
forfeiture

33. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company of the member in respect of the share, and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.

Certificate of

Title of the
purchaser

34. A certificate in writing under the signature of a Director, or the Secretary or by any other person who may be authorised for the purpose by the Directors, that the call, amount or instalment in respect of a share was made or was due, or the interest in respect of a call, amount or instalment was or the expenses were payable, as the case may be, that notice thereof as aforesaid was given and default in payment was made, and that the forfeiture of the share was made by a resolution of the Directors to that effect, shall be sufficient evidence of the facts stated therein as against all persons entitled to or interested in such share and such certificate and the receipt of the Company for the price of such share shall constitute a good title to such shares in the purchaser of such share who shall, as soon as he has completed his purchase, be entered in the Register of Members as the holder of the share. Any such purchaser shall not (unless by express agreement) be liable to pay any calls, amounts, instalments, interest and expenses owing to the Company prior to such purchase, nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonus accrued or which might have accrued upon the share before the time of completing his purchase. Such purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity in the proceedings in reference to the forfeiture of such share or the sale thereof.

Company's
lien on
shares

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

As to
enforcing
lien by sale

Applications
of sale
proceeds.

36. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators, or his committee, curator bonis or other person recognised by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member and the residue (if any) paid to such member, his executors, administrators or other representatives or persons so recognized as aforesaid.

37. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in

Validity of sale

the Register of Members 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 of Members in respect of such shares, his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

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

Power to issue new certificates

(6) TRANSFER AND TRANSMISSION

39. The Company shall keep a register to be called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of shares.

Register of Transfer

40. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

Form of transfer

41. Subject to the provisions of the Act every such instrument of transfer of shares shall be presented to the Prescribed Authority before it is signed by or on behalf of the transferor for endorsement in accordance with the relevant provisions of the Act and thereafter shall be executed both by the transferor and the transferee in accordance with such prescribed form and shall be delivered to the Company within the time limit prescribed under the Act. The transferor shall be deemed to remain the holder of such shares until the name of transferee is entered in the Register of Members in respect thereof.

Instrument of transfer to be endorsed by the Prescribed Authority and to be executed thereafter

42. It shall be liability of the transferee to ensure that the deed of transfer is properly and adequately stamped. In case it is discovered after the registration of any instrument of transfer that the same is under-stamped, it shall be the liability of the transferee to make good the deficiency and to pay the penalty, if any, imposed by the appropriate authority in respect thereof.

Transferee's liability for stamp duty

43. In the case of any share registered in any Register outside India, the instrument of transfer shall be in a form recognised by the law of the place where the Register is maintained but subject thereto shall be as near to the form referred to in Article 40 as circumstances shall permit.

Form of transfer for outside India

44. 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

Application for transfer

transferor, no registration shall in the case of partly paid up shares effected unless the Company gives notice of the application of the transferee in the manner prescribed by the Act, and, subject to the provisions of Article 12 and 46 hereof, the Company may, unless objection is made by the transferee within two weeks from the date of receipt of the notice aforesaid, 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 was made by the transferee.

Instrument of
transfer etc. to be
left at the Office

45. Every instrument of transfer shall be left at the Office for registration, accompanied with the certificate (s) 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 transferor or his right to transfer the shares.

Indemnity
against
wrongful
transfer

46. Neither the Company nor its Directors shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred and although the transfer may, as between the transferor and the transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case the person registered as transferee, his executors, administrators and assigns alone shall be entitled to be recognized as the holder of such share and the previous holder shall so far as the Company is concerned be deemed to have transferred his whole title thereto.

Loss of
instrument
of transfer

47. On an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Directors, that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think.

Directors
may
refuse to
register
transfer

48. The Directors may, subject to the right of appeal conferred by Section 111 of the Act, at their absolute and uncontrolled discretion and without assigning or being under any obligation to give any reason, decline to register or acknowledge any transfer or transmission of shares in any case in which the Company has a lien upon the shares or any of them, or in case of shares not fully paid-up while any moneys called-up and payable at a fixed time in respect of the shares desired to be transferred, or any of them, remain unpaid; provided that the registration of transfer shall not be refused on the ground that of the transferor, being, either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except in the case of a lien on the shares. In pursuance of any such power, when the Directors refuse to register any transfer or transmission of shares, they shall, within one month from the date on which

the instrument of transfer or intimation of transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor, as the case may be.

Minimum
transferable
lots of
shares

48. A without prejudice to the generality of Article 48, the Directors may not accept any application for transfer of less than 50 (fifty) equity or 5 (five) preference shares of the nominal value of Rs. 10/ and 100/ respectively; provided, however, that this condition shall not apply to:

- (i) a transfer of shares made in pursuance of any statutory provision or an order of a competent court of law;
- (ii) transfer of the entire holding of a member who holds less than 50 (fifty) equity shares or 5 (five) preference shares to one or more transferees provided that the total holding of the transferee or each of the transferees, as the case may be, will not be less than 50 (fifty) equity shares or 5 (five) preference shares after such transfer or transfers;
- (iii) transfer of the entire holding of a member who holds less than 50 (fifty) equity shares or 5 (five) preference shares by a single transfer to a single or joint names of another member; and
- (iv) transfer of shares made at the discretion of the Directors under special circumstances to avoid hardship to the members in genuine cases.

49. No transfer shall be made to person of unsound mind or firm without the consent of the Board and no transfer of partly paid shares shall be made to a minor.

No transfer
to minor
etc.

50. All instruments of transfer which shall be registered, shall be retained by the Company.

When instruments of
transfer to be
retained

51. On giving seven days' notice by advertisement in a newspaper circulating in the district in which the Office of the Company is situated, the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty-five days in each year but not exceeding thirty days at a time.

Power to close
transfer book and
Register of
Members

52. The executors or administrators or the holder of a succession certificate in respect of share of a deceased member (not being one of the several joint- holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint-holder of any registered shares, the survivors shall be the only persons 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 legal representative or heir or a person otherwise claiming title to the shares, the Company may require him to obtain a grant or probate or letters of administration or succession certificate or other legal representative, as the case may be, from a competent court. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with the

Transmission
of registered
shares

production of probate or letter of administration or a succession certificate or such other legal representative upon such terms as to indemnity or otherwise as the Board may consider desirable.

53. Any person becoming entitled to or to transfer shares in consequence of the death 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 Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares or may, subject to the regulations as to transfer herein before contained, transfer such shares.

As to transfer of shares of deceased or insolvent members

This Article is hereinafter referred to as "the Transmission Article". Subject to any other provisions of these Articles, if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other person he shall execute an instrument of transfer in accordance with the provisions of these Articles relating to transfer of shares. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid.

Transmission Article

Provisions of articles relating to transfers applicable

54. Subject to any other provisions of these Articles and if the Directors in their sole discretion are satisfied in regard thereto, a person becoming entitled to a share in consequence of the death or insolvency of a member may receive and give a discharge for any dividends or other moneys payable in respect of the share.

Rights of unregistered executors and trustees

55. The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debentures of the Company.

Transfer of debentures

(7) SHARE WARRANTS

56. Subject to the provisions of Section 114 and 115 of the Act and subject to any directions which may be given by the Company in General Meeting, the Board may issue Share Warrants in such manner and on such terms and conditions as the Board may deem fit. In case of such issue clauses 40 to 43 of Table 'A' in Schedule I to the Act shall apply.

Power to issue Share Warrants

(8) STOCKS

57. The Company may exercise the power of conversion of its shares into stock and in that case clauses 37 to 39 of Table 'A' in Schedule I to the Act shall apply.

Conversion of shares into stock and reconversion

(9) ALTERATION OF CAPITAL

58. The Company may by Ordinary Resolution from time to time alter the conditions of the Memorandum of Association as follows:-

- a) increase the share capital by such amount, to be divided into shares of such amount as may be specified in the resolution;
- b) consolidate and divide all or any of its shares share capital into shares of larger amount than its existing shares;
- c) 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 subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced shares shall be the same as it was in the case of the share from which the reduced share is derived; and
- d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Power to
subdivide and
consolidate

58A. Notwithstanding anything to the contrary contained in these Articles, in the event of the exercise of an option in respect of the Debentures issued to or loans raised from any of the institutions specified by the Central Government under the provision of Section 81 (3) or any other applicable provisions of the Act, it shall be permissible for the Directors to issue and allot or reserve for allotment further shares and thereby increase the issued and subscribed capital of the Company, in accordance with the agreed terms with such institutions, as applicable to the relative Debentures issued to/loans availed from them without requiring any resolution of the Company in general meeting or without making any offer to the existing members of the Company as aforesaid.

Further issue
of capital on
exercise of
right of
conversion

59. (Deleted)

60. Subject to the provisions of Section 100 to 104 (inclusive) of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

Surrender

61. 1) The Company may from time to time by Special Resolution, and subject to confirmation by the Court, reduce its share capital in any way; and in particular and without prejudice to the generality of the foregoing power, may-

- a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;
- b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost, or is unrepresented by available assets; or
- c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the Company;

Reduction of
capital

and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

- 2) Capital may be paid off on the footing that it may be called up again or otherwise, and paid-up capital may be cancelled as aforesaid without reducing the nominal amount of the shares by the like amount to the intent that the unpaid and callable capital shall be increased by the like amount. The Director shall whenever the capital of the Company is reduced duly comply with the provisions of sections 100 to 103 (inclusive both) of the Act.

(10) MODIFICATION OF RIGHTS

Power to
modify
rights

62. Whenever the capital (by reason of the issue of preference shares or otherwise) is divided into different into different classes of shares, all or any of the rights and privileges attached to each class may be varied in the manner provided in Section 106 of the Act and all the provisions hereinafter contained as to General Meetings shall, mutatis mutandis, apply as regard class meetings; Provided that the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied under this Article by the creation or issue of further shares and such new shares may be issued with such preferential rights as may be decided at the time to issue thereof.

(11) DEBENTURES

Issue of
Debentures

63. Any debentures, debenture stock, bonds or other security may be issued at a discount, premium or otherwise, and with any special privilege as to redemption, surrender, drawings and (subject to the provisions of Sections 255 and 256 of the Act appointment of Directors and otherwise). Any debentures or debenture -stock issued by the Company shall be subject to the provisions of Section 117 to 123 of the Act or of any statutory modification thereof for the time being. Provided that debentures, debenture-stock or bonds, with the right of allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

Indemnity
may be
given

64. The Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the company or any interest payable thereon, and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the company or upon any of its property or assets or otherwise. If the Directors or any of them or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may

execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

IV. GENERAL MEETINGS

(1) CONVENING OF MEETINGS

Convening of Meetings

65. The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting of the Company; provided, however, if at any time there are not in India Directors enough in number to form a quorum of the Board's meeting, any Director may call an Extra-ordinary General Meeting in the same manner in which such a meeting may be called by the board.

(2) PROCEEDINGS AT GENERAL MEETINGS

Quorum

66. The quorum for a General Meeting shall be five members present in person.

Chairman of General Meetings

67. The Chairman, or in his absence the Vice-Chairman of the Board of Directors shall, if present and willing, be entitled to take the Chair at every General Meeting, whether Annual or Extra-ordinary, but if there be no such Chairman or Vice-Chairman or if at any Meeting neither of them shall be present or being un-willing or failing to take the Chair within fifteen minutes of the time appointment for holding such Meeting, the members present shall choose another Director as Chairman and if all the Directors present decline to take the Chair, or if there be no Director present, then the members present shall choose one of them, being a member entitled to vote, to be the Chairman of the Meeting.

Sufficiency of Ordinary Resolution when no specific provision

68. 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 elected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution passed by a Special Resolution.

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

69. If within half an hour from the time appointed for the meeting, a quorum be not present, the meeting, if convened upon a requisition of members shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place, unless the same shall be a public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.

Chairman
with consent
of members
may adjourn
meeting

70. (a) The Chairman may, with the consent of a majority of the members personally present at any meeting, adjourn such meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the Company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed to have been passed on any earlier date.

Notice of
adjournment

Whenever any meeting is adjourned for thirty days or more, notice of such adjourned meetings shall be given as in the case of an original meeting.

Save as aforesaid it shall not be necessary to give any notice of any adjourned meeting or of the business to be transacted at an adjourned meeting.

Business may
proceed
notwithstanding
demand for a
poll

71. If a poll be demanded, the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Omission to give
notice or nonreceipt
of notice shall not
invalidate proceedings.

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

Certificate conclusive
as the General
Meeting having been
duly convened

73. A certificate in writing, signed by the Secretary or by a Director of the Company to the effect that according to the best of his belief the notices convening the meeting have been duly given, shall be prima facie evidence thereof.

Business which
may be transacted
at meetings.

74. No General Meeting, Annual or Extra-Ordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been specified in the notice convening the meeting, except as provided in the Act.

Every resolution
must be proposed
and seconded

75. No resolution submitted to a meeting unless proposed by the Chairman of the meeting, shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote on such resolution and seconded by another member present and entitled to vote.

Voting to be by
show of hand

76. (a) At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Article 80, be decided by show of hands.

(b) A declaration by the Chairman in pursuance of clause (a) hereof that on a show of hands resolution has or has not been carried, either unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the meeting, shall be

Chairman's decision
of result of voting by
show of hands final

conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such a resolution.

77. (1) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by :-

Poll

- (a) at least five members having the right to vote on the resolution and present in person or by proxy, or
- (b) by a member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution or
- (c) by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being share on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all the shares conferring that right.

Demand for poll may be withdrawn

(2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time on taking poll

(3) If a poll is duly demanded, the same if on the election of Chairman of a meeting or on any question of adjournment, shall be taken at the meeting and without adjournment, and if on any other question, shall be taken in such manner and at such time and place, and either at once, or after an interval or adjournment not being later than forty-eight hours from the time when the demand was made, as the Chairman of the meetings, who subject to the provisions of the Act shall have power to regulate the manner, in which the poll shall be taken, shall direct.

Poll how to be taken

(4) Every such poll may be taken either by open voting or by ballot as the Chairman of the meeting at which the poll was demanded may direct. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Appointment of scrutineers

(5) Two scrutineers shall be appointed by the Chairman to scrutinise the votes given on the poll and to report to him. The Chairman shall have the power at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause. At least one scrutineer shall be a member present at the meeting not being an officer or employee of the Company, provided such a member is available and willing to be so appointed.

Differences between scrutineers

(6) The decision of the Chairman on any differences between the scrutineers shall be conclusive.

(3) VOTES OF MEMBERS

Votes of member

78. On a show of hands every holder equity shares entitled to vote and present in person shall have one vote and upon a poll every holder of equity share entitled to vote and present in person or by proxy shall have one vote for every share held by him.

Votes in respect of deceased, insolvent and insane members

79. Subject to the provisions of these Articles, any person entitled under the Transmission Articles 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 seventy-two 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 Director of his right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting. In respect thereof. If any member be a lunatic, Idiot or non compos mentis, he may vote whether on a show of hands or at a poll by his committee, curator bonis or other person recognised by the Company as entitled to represent such member and such last mentioned persons may give their votes by proxy.

Joint-holders

80. Where there are joint- holders of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the Register of Members 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 shares stand shall for the purpose of this Article be deemed joint-holder thereof.

81. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if such appointor is a Corporation under its Common Seal or the hand of its attorney.

Instrument appointing proxy to be in writing

82. 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 or 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 proposes to vote and in default the instrument of proxy shall not be treated as valid.

Instrument appointing proxy to be deposited at the Office

83. 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 of 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 at the Office or by the Chairman of the meeting 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.

When vote by proxy valid though authority revoked

84. Every instrument appointing a proxy shall, as nearly as circumstances will admit be in the form set out in Schedule IX to the Act.

Form of instrument appointing a proxy

85. No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll 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 which the Company has or has exercised any right of lien.

Indebted members not to vote

86. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.

Validity of votes

87. In case of an equity of votes, the Chairman of any meeting shall, both on the show of hands and at a poll (if any) held pursuant to a demand made at such meeting, have a casting vote in addition to the vote or votes to which he may be entitled as member.

Casting vote
of the
Chairman

88. (a) A body corporate (whether a company within the meaning of the Act or not) may by resolution of its board of directors or other governing body, authorise such persons as it thinks fit to act as its representative at any meeting of the Company; or at any meeting of any class of members of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member, creditor or holder of debentures of the Company.

Representation
by bodies
corporate

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

Representation
by President of
India etc.

(c) Where any shares in the Company are held in trust by a person (hereinafter referred to as 'the Trustee'), the rights and powers (including the right to vote by proxy) exercisable at any meeting of the Company or at any meeting of any class of members of the Company by the Trustees as a member of the Company shall be exercisable in accordance with any special law, if any, in this behalf and provided further that a declaration pursuant to Section 153 B of the Act has been made to the Company by the Trustee.

Representation
by Trustee

V. DIRECTORS

(1) GENERAL PROVISIONS

Number of
Directors

89. Until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than three nor more than fifteen excluding the debenture Directors.

Directors

90. At the date of adoption of these Articles, the directors of the Company are:-

1. Sri G. S. Bhargava.
2. Sri B.N. Bhargava.
3. Sri W. Schultze.
4. Sri S.S. Agarwal.
5. Sri P.K. Bhargava.

Continuing
Directors
may act

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

Directors
may contract
with the
Company

92. Subject to the provisions of the Act, the Directors (including a Managing Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership, of or in which any Director shall be a member or otherwise interested, be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

Directors'
qualification
shares

93. A Director need not hold any share in the capital of the Company to qualify him to act as a Director of the Company.

(2) DIRECTORS' REMUNERATION

Directors'
Remuneration

94. Unless otherwise determined by the Board of Directors and subject to as hereinafter provided each Director shall as from the date of his appointment be deemed to have been entitled to be paid out of the funds of the Company a sum of Rs. 250/- for every meeting of the Directors and/or meeting of the Committee of Directors he attends or such other amounts per meeting as may from time to time be decided by the Board subject to the provisions of Section 310 of the Act (such payment is hereinafter referred to as "the sitting fee"). Directors may also be paid each year by way of additional remuneration a commission of one per cent on the profits of the Company as may be determined by the Company from time to time such commission to be calculated on the net profits of the Company computed in the manner referred to in Section 198 of the Act and such commission shall be divided among the Directors in such proportion and manner as may be determined by them. The Directors may allow and pay to any Director, who for the time being is resident out of place at which any meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting, such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to the sitting fee. If any Director being willing shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company, the Directors, subject to the approval of members in a General Meeting to the extent necessary, shall be entitled to remunerate such Directors either by a fixed salary or sum or a percentage of profits or in any other manner or partly in one form and partly in another as may be determined by the Directors in addition to the sitting fee; provided that the working Directors of the Company (including a Managing Director) who are getting paid on a regular basis shall not be entitled to be paid the sitting fee for attending the meeting of the Board and/or a Committee thereof.

(3) APPOINTMENT OF DIRECTORS

Appointment
of Directors

95. The Company in General Meeting may, subject, to the provisions of these Articles and the Act, at any time elect any person to be a Director of the Company and may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

Appointment
of additional
Directors

96. (a) The Directors shall have power at any time and from time to time to appoint any person other than a person who has been removed from the office of a Director in the Company to be a Director of the Company as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number above fixed. Any Director so

appointed shall hold office only upto the date of the next following Annual General Meeting of the Company when he shall be eligible for re-appointment.

Casual vacancy
may be filled
by the Board

- (b) The Directors shall also have power to fill a vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy had occurred.

Financial
institutions,
nominee Directors

97. Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), The New India Assurance Company Limited (NIA), The Oriental Fire and General Insurance Company Limited (OFGI), United India Insurance Company (UI), National Insurance Company Limited (NIC), Unit Trust of India (UTI), (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold debentures/ shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantees furnished by the Corporation on behalf of the Company remaining outstanding, the Corporation shall have the right to appoint from time to time, pursuant to agreement between the Corporation and the Company, any person or persons as the Director or Directors, whole-time or non whole-time, (which Director or Directors, is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place (s).

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

The Nominee Director/s so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold debentures/shares in the Company as a result of under-writing or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/ shares in the Company or the satisfaction of the liability of the Company arising out of the guarantee furnished to the Company.

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

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or

remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

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

Provided also that in the event of the Nominee Director/s being appointed as whole-time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such whole-time Director shall be entitled to receive such remuneration, fees commission and monies as may be approved by the Corporation, subject to shareholders' approval accorded in general meeting and of the Central Government.

98. Any trust Deed for securing debentures or debenture-stock, if so arranged, may provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture-stock of some person to be a Director of the Company and may empower such trustees or holder of debentures or debentures-stock from time to time to remove any Director so appointed. A Director appointed under this Article is herein referred to as 'Debenture Director' and that the term Debenture Director means a Director for the time being in office under this Article. A Debenture Director shall not be bound to hold any qualification shares and not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

Debenture
Directors

99. Whenever the Company enters into a technical, financial, technical-cum-financial collaboration agreement or seeks know-how, engineering and consultancy services, project studies and appraisal, feasibility and market survey reports or any other services, knowledge or assistance from any other company, firm or person, whether incorporated, operating or resident in India or not, on specific terms securing for such company, firm or person the right to appoint its nominees on the Board of the Company, the Directors shall have power to appoint any person or persons nominated by them as a Director or Directors of the Company. The agreement entered into in this behalf with such company, firm or person may contain such ancillary provisions as may be agreed to between the Company and that other party and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

Collaborators'
Directors

100. 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 appointment shall have effect and such appointee, whilst he holds office as an Alternate Director shall be entitled to

Alternate
Directors

notice of meetings of the Board and to attend and vote thereat accordingly; but he shall ipso facto vacate office if and when the absent Director returns to the State in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

(4) ROTATION OF DIRECTORS

101. At the Annual General Meeting of the Company in every year, one third of the Directors for the time being liable to retire by rotation and if their number is not three or a multiple of three then the number nearest thereto shall retire from office. The Directors to retire at such Annual General Meeting shall be the Directors (other than Managing Director and/or any Director or Directors who by virtue of the provisions of any agreement referred to in Articles 97, 98 and 99 are not liable to retire) who shall have been longest in office since their last election. As between the Directors who became Directors on the same day, those to retire shall (in default of agreement between them) be determined by lot. For the purpose of this Article, a Director appointed to fill a vacancy under the provisions of Article 96 (b) shall be deemed to have been in office since the date on which the Director, in whose place he was appointed, was last elected as a Director.

Rotation of
Directors

102. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

Retiring
Director eligible
for re-election

103. Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled up, the meeting shall stand adjourned till the same day in the next week or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting the places of the retiring Directors are not filled up, the retiring Directors or such of them as have not had their places filled up shall (if willing to continue in office) be deemed to have been re-elected at the adjourned meeting.

Adjournment of
meeting for election
of Directors

104. The office of a Director shall be deemed to have been vacated:-

Vacation of
office by
Directors

(a) Ipso facto in the eventualities mentioned in Section 283 of the Act.

(b) in the event of the resignation by a Director or the withdrawal of his nomination in the case of a Director appointed pursuant to Article 97, 98 and 99 on the date on which the letter of resignation or the letter of withdrawal of his nomination, as the case may be, is received by the Company.

(5) PROCEEDINGS OF DIRECTORS

105. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit from time to time.

106. The Secretary may at any time, and upon request of any two of the Directors of the Company, shall summon a meeting of the Directors.

Directors'
Meetings

Summoning
a meeting of
Directors

Voting at
meetings

Chairman/vi
ce Chairman
of Directors'
meeting

107. Subject to the provision of the Act, questions arising at any meeting of the Directors shall be decided by a majority of votes, each Director having one vote, and in case of an equality of votes of Chairman of the meeting shall have a second or casting vote.

108. (a) The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office, and unless otherwise determined the Chairman shall be elected annually.

(b) The Director may elect a Vice-Chairman of their meetings, and determine the period for which he is to hold office, and unless otherwise determined the Vice-Chairman shall be elected annually.

(c) If at any meeting, the Chairman is not present within fifteen minutes of the time appointed for holding the same or is unwilling to preside, the Vice-Chairman, if any, and if present and willing to preside, shall preside at such meeting. If no such Chairman and Vice-Chairman are elected, or if at any meeting neither of them is present, the Directors present may choose a Director present to be the Chairman of such meeting.

Acts of
meeting

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

Delegation to
Committees

110. The Directors may subject to compliance with the provisions of the Act from time to time delegate any of their powers to Committees consisting of such member or members of their body as they think fit, and may from time to time revoke such delegation. Any Committee so formed shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed on it by the Directors. The meeting and proceedings of any such Committee, if consisting of two or more members, shall be governed by the provisions for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under this Article.

111. All acts done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, Committee or person acting aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was duly qualified. Provided always that nothing in this Article shall be deemed to give validity to act done by such Directors, Committee or person acting as aforesaid after it has been shown that there was some defect in any appointment or that they or any of them were disqualified.

Validity
of Acts

112. A resolution may be passed by the Board by circulation in accordance with the provisions of Section 289 of the Act.

Resolution by
circulation

113. The Directors shall cause minutes to be duly entered in the books provided for the purpose:-

(a) of all appointments of Officers and Committees made by the Directors;

Minutes to
be made

- (b) of the names of the Directors present at each meeting of the Directors and of any committees of Directors;
- (c) of all orders made by the Directors and Committee of Directors;
- (d) of all resolutions and proceedings of General Meetings and of meetings of Directors and Committees;

and any such minutes of any meetings of Directors or of any Committee if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters in such minutes.

(6) POWERS OF DIRECTORS

114. The business of the Company shall be managed by the Directors who in addition to the power and authorities by these presents or otherwise expressly conferred upon them may exercise all such power and do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents and to any regulations not being inconsistent with these present from time to time made by the Company in General Meeting. Provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

General powers of the Company vested in Directors

115. Without prejudice to the general powers conferred by the preceding Article, the Directors may from time to time subject to the restrictions contained in the Act, delegate to any of the Directors, employees or other persons including any firm or body corporate any of the powers, authorities and discretions for the time being vested in the Directors.

Delegation of powers by the Directors

Execution of deeds etc.

116. All deeds, agreements and all cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, or endorsed or otherwise executed as the case may be by such persons (including any firm or body corporate) whether in the employment of the Company or not and in such manner as the Directors shall from time to time determine.

Management abroad

117. The Directors may make such arrangements as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint local boards, attorneys and agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient. The Company may have for use abroad such official seal as is provided for by Section 50 of the Act. Such seal shall be affixed by the authority and in the presence of, and the instruments sealed therewith shall be signed by such persons as the Directors shall from time to time by writing under the Seal appoint, the Company may also exercise the power of keeping Foreign Registers as provided by the Act.

Borrowing powers

118. The amount for the time being remaining undischarged of moneys borrowed or raised by the Directors for the purposes of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate of the paid-up capital of the Company and its free reserves, that is

to say, reserves not set apart for any specific purpose, without the consent of the Company in General Meeting.

Donations
etc.

119. The Directors are authorized to pay donations to any individuals or institutions or contribute to any charitable, religious, benevolent, national, public or general and other funds not directly relating to the business of the Company or the welfare of its employees any sums the aggregate of which will, in any financial year, not exceed Rs. 25000/- or 5% of the average net profits of the Company during the three financial years immediately preceding, whichever is greater, and may, with the consent of the Company in General Meeting, contribute any sums in excess of such limits.

Appointment
of officers
etc.

120. The Board may appoint and, at their discretion, remove or suspend such officers, by whatever designation called, managers, engineers, experts, legal advisers, solicitors, clerks, agents, salesmen, workmen and other servants or professionals, for permanent, temporary or special services as the Board may from time to time think fit and determine their duties, fix their salaries, service conditions, emoluments and delegate to or confer upon them such powers (including the power to sub-delegate), authorities and discretions as the Board may think fit.

VI. MANAGEMENT

Management

121. The Board of Directors may appoint Managing or whole-time Director/ Directors (including Joint/ Deputy Managing Directors and Executive Directors) or Manager to manage the affairs of the Company, a Secretary and other officers for such period and on such remuneration and on such terms and conditions with the sanction, when so required by the Act of the members in a General Meeting and/or approval of the Central Government. Managing or Whole time Directors, if any, shall not be liable to retire by rotation.

VII. THE SEAL

Seal and its
custody etc.

122. The board shall provide for the safe custody of the seal and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of the Committee of the Board authorized by them in that behalf and in the presence of at least one Director or such other officer of the Company as the Board or the Committee may appoint for any specific purpose from time to time and such Director or officer shall sign every instrument to which the Seal of the Company is affixed, provided, nevertheless, that any instrument bearing the Seal of the Company and attested by such Director or officer and issue for valuable consideration shall be binding upon the Company notwithstanding any irregularity touching the authority of the Board to issue the same.

VIII. BOOKS OF ACCOUNT AND DIVIDENDS

(1) BOOKS OF ACCOUNT

Books of
account to
be kept

123. The books of account shall be kept at the Office of the Company or at such other place as the Directors think fit.

Inspection
by
members

124. 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 open to the inspection of the members not being Directors, and no manner (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting.

When
accounts to be
deemed
finally settled

125. Every Balance Sheet and Profit and Loss Account when audited and approved by the General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof.

Accounts to
be filed with
the Registrar

126. Within thirty days after the Balance Sheet and Profit and Loss Account have been laid before the Company at the Annual General Meeting, the Company shall file with the Registrar copies of Balance Sheet and Profit and Loss Account together with copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Profit and Loss Account.

(2) DIVIDENDS

127. The net profits of the Company (after making provision, if any, for sinking, depreciation and reserve funds and for carrying forward balances for the next year) shall subject to the rights of holders of preference shares and to any resolution of the Company attaching any special privileges to other shares and to the provisions of these Articles, be divisible among the Equity shareholders subject as provided in Article 25 in proportion to the amounts paid up on the Equity Shares during any portion or portions of the period in respect of which the dividend is paid.

Division of
Profits

128. When capital is paid up in advance of calls upon the footing that the same shall carry interest, such capitals shall not, whilst carrying interest, confer a right to participate in profits.

Capital paid in
advance of calls

129. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix time for payment subject to the provisions of Section 207 of the Act.

Declaration
and payment
of dividend

130. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.

Restrictions
on amount of
dividend

131. No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company except when expressly authorized by any law for the time being in force regulating the declaration and payment of dividend by bodies corporate.

Dividend out
of profits only
and not to
carry interest

132. The declaration of the Directors as to the amount of the net profits of the Company in any year shall be conclusive.

What to be
deemed net
Profits

133. The Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

Interim
dividends

134. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Debts
may be
deducted

135. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the call.

Dividend
and call
together

136. Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.

Any one of
joint holders
can give
receipts

137. Unless otherwise directed, any dividend may be paid by cheques, warrant or postal money order sent through post to the registered address of the members or person entitled thereto or in the case of joint-holders to the registered address of that one whose name stands first on the Register of Members in respect of the joint-holding to such person and such address as the member or person entitled or such joint-holders, as the case may be, may direct.

Payment
by post

138. The payment of every cheque or warrant sent under the provisions of the last preceding Article shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company shall not be responsible for the loss of any cheque, dividend warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.

When
payment a
good
discharge

138A. No Unclaimed or unpaid dividend shall be forfeited and the Company shall comply with the provision of Section 205A of the Companies Act, 1956.

(3) RESERVES

Reserves

139. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at its like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve.

(4) CAPITALISATION OF RESERVES

Capitalisation
of reserves

140. Any General Meeting may upon the recommendation of the Directors resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve fund or special account or in the hands of the Company and available for dividend and including any profits arising from the sale of

the Assets of the Company or any part thereof or by reason of any other accretion of capital assets or representing premium received on the issue of shares and standing to the credit of the share premium account, be capitalised and distributed (in the manner and to the extent permissible under the provisions of the Act) amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such members in paying up in full either at par or at such premium as the resolution may provide any unissued shares, debentures or debenture-stock (in the manner and to the extent aforesaid) of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum.

Fractional
certificates

141. For the purpose of giving effect to any resolution under the preceding Article, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates or ignore fractions or may vest the same in trust for the persons entitled thereto as may seem expedient to the Directors. Where requisite a proper contract shall be filed in accordance with the provisions of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

MISCELLANEOUS

(1) RECONSTRUCTION

Reconstructions

142. On any sale of the undertaking of the Company, the Directors or Liquidators on a winding up may, if authorized 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 or undertaking of the Company. The Liquidators (in a winding up) may distribute such share or securities, or any other property of the Company amongst the contributories without realization or vest the same in trustees for them and may if authorized by Special Resolution provide for the distribution or appropriation of the cash, shares or other securities, benefits or property otherwise than in accordance with the strict legal rights of the 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 the contributories shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all right in relation thereto, save such statutory rights (if any) under the Act as are incapable of being varied or excluded by these presents.

(2) WINDING-UP

Distribution
of assets

143. Upon the winding up of the Company, the holders of Preference Shares, if any, shall be entitled to be paid all arrears of preferential dividend upto the commencement of winding up and also to be re-paid the amount of capital paid up or credited as paid-up on such Preference Shares held by them respectively, in priority to the Equity Shares, but shall not be entitled to any other further rights to participate in profits or assets, subject as

aforesaid and to the rights of any other holder of shares entitled to receive preferential payment over the Equity Shares, in the event of the winding up of the Company, the holders of the Equity Shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited as paid on such equity shares respectively, at the commencement of the winding up. If the assets shall be insufficient to repay the whole of the paid up Equity Capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members holding Equity Shares in proportion to the capital paid up or which ought to have been paid up on the Equity Share held by them respectively at the Commencement of winding up, other than the amounts paid by them in advance of calls.

Distribution
of asset in
specie

144. If the Company shall be wound up, whether voluntarily or otherwise, the Liquidators may, with the sanction of Special Resolution of the Company and any other sanction required by the Act, 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.

(3) INDEMNITY

Indemnity

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

Individual
responsibility
of Directors
etc.

146. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss occasioned by any error of judgment, omission, default or oversight on his part, or for any loss, damage, or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

(4) SECRECY

No member
to enter the
premises of
the
Company
without
permission

147. Subject to the provisions of these Articles and the Act no member or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter what soever which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the Company to communicate.

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

Name, addresses, description of subscribers	Numbers of shares taken by each subscriber	Name, addresses, descriptions and occupations of witnesses to the signature of subscribers
1. Shri G.S. Bhargava, Gauri Shanker Bhargava, Advocate, S/o Shri Krishna Jiwan Bhargava, 3/11, Vishnupuri, Kanpur-2	200	Shri Hari Har Nath Bhargava, Business, S/o Pt. Gauri Shanker Bhargava, 3/11, Vishnupuri, Kanpur-2
2. Shri B.N. Bhargava, Bhupendra Nath Bhargava, Service, S/o Shri Gauri Shanker Bhargava, 3/8, Vishnupuri, Kanpur-2	200	Shri K.M. Joseph, Kuthukat Mathai Joseph, Service, S/o Shri (Late)K.P. Mathai, 124/24, (M) (I) Govind Nagar, Kanpur
3. Shri M.N. Bhargava, Mahendra Nath Bhargava, Service, S/o Shri Gauri Shanker Bhargava, 3/11, Vishnupuri, Kanpur-2	200	Shri V.K. Gupta, Service, S/o Shri S.K. Gupta, 58/36, Birhana Road, Kanpur.
4. Shri P.K. Bhargava, Pradip Kumar Bhargava, Business and Service, S/o Shri Hari Har Nath Bhargava, 3/8, Vishnupuri, Kanpur-2	200	Shri N.P. Bhargava, Naresh Prasad Bhargava, Service, S/o Shri Mahesh Pd. Bhargava, 120/400, Lajpat Nagar, Kanpur.
Total number of shares:	800	

Date: the Twenty-eighth day of April, 1971