

**CORPORATE OFFICE :**  
1st floor, 137 Hubtown Solaris,  
N.S. Phadke Road, Opp. Teli Galli,  
Near Andheri East West Flyover Bridge.  
Andheri East. Mumbai - 400069 (INDIA).  
CIN No. L24232MP1989PLC005390  
Tel. : 91-22-6863 4200 / 6863 4206  
Fax : (91) 022-2206 3929  
E-mail : poltd@panchsheelorganics.in  
Website : <http://www.panchsheelorganics.com>



**Panchsheel  
Organics  
Limited**  
MFGRS. OF: BULK DRUGS  
& FORMULATIONS

November 29, 2021

**BSE Limited,**  
P. J. Tower, Dalal Street,  
Fort, Mumbai - 400 001.

Dear Sirs,

Scrip Code: 531726

**Sub: Intimation of amendment to Memorandum of Association (MOA) and Articles of Association (AOA) - Increase in the Authorized Share Capital of the Company to enable further issue of shares and consequent alteration of the Capital Clause of MOA and AOA of the Company.**

Pursuant to Regulation 30(2) read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions if any, this is to inform you that the members of the Company have approved the Ordinary Resolution for increase in the Authorized Share Capital of the Company & for consequent alteration of the Capital Clause of the Memorandum of Association and Special Resolution for alteration of the Capital Clause in the Articles of Association of the Company respectively, with requisite majority.


Please find enclosed a copy of the amended Memorandum of Association and Articles of Association for your records.

The aforesaid information is also disclosed on the website of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For Panchsheel Organics Limited

  
Mahendra A. Turakhia  
Managing Director  
DIN: 00006222

Encl.: as above.

**THE COMPANIES ACT, 1956  
(A COMPANY LIMITED BY SHARES)**

**MEMORANDUM OF ASSOCIATION  
OF  
PANCHSHEEL ORGANICS LIMITED**

- I. The Name of the Company is PANCHSHEEL ORGANICS LIMITED.
- II. The Registered office of the Company will be situated in the State of Madhya Pradesh.
- III. The objects for which the Company is established are as under:

**A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :**

- 1.
- (i) To carry on business of Manufactures, importers, exporters, traders, dealers and indenter of Pharmaceuticals items, bulk drugs and drug intermediates, patent, proprietary medicines, crude drugs, veterinary medicines, feed supplements, dyes and dyes intermediates, pesticides insecticides.
- (ii) To carry on business of Manufactures, Processors, importers, exporters, traders, dealers and indenter of Chemical Products, species, laboratory reagents, pigments, petro chemicals, photographic chemicals, industrial chemicals.
- \*(iii) To carry on all the type of e-commerce business in all goods and services, merchandise, vide business to business (B2B), business to customer (B2C), customer to customer (C2C) and providing services Payment gateways, Portals, Vortals, Internet Marketing, Electronic Publishing in connection with the business as referred to in sub-clause 1 (iv) below.
- \*(iv) To carry on the business of manufacture, formulation, process, development, refine, import, export, buying, selling, reselling, agency, transporting, storing, marketing, supplying, trading, distribution, dealing in any manner whatsoever on wholesale and/or retail basis in India or elsewhere through internet or any other channel including e-commerce activities for all kinds of pharmaceuticals, antibiotics, probiotics, drugs, medicines, biological, nutraceutical which may/may not include ingredients like amino acids, enzymes, herbal extracts, vitamins, co-enzymes etc, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, drinks with extract of alcohol/wines, cordials, soups, broths and other restoratives or foods and also to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, etc of related products and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockiest of all kinds of pharmaceuticals and allied products.

*\* Inserted vide Special Resolution passed by members vide postal ballot held on 7<sup>th</sup> March 2020.*

**B. OBJECTS INCIDENTAL OR ANCILLIARY TO THE ATTAINMENTS OF THE MAIN OBJECTS :**

**CERTIFIED TRUE COPY**

**For PANCHSHEEL ORGANICS LIMITED**

**MAHENDRA A. TURAKHIA**  
Managing Director  
DIN : 00006222

2. To form, incorporate or promote any Company or companies whether in India or elsewhere, having amongst its or their objects the acquisition of all or any of the assets or control or development of the company or any other objects which in the Opinion of the company could or might directly or indirectly assist the company in the development of its properties or otherwise Prove advantages to the company and to pay all of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for service rendered.
3. To require and take over any going concern's business dealings in the products of the company at any place or places as carried on by them as a partnership firm, proprietary Concern, Association, Company with all or any of the assets and liabilities with goodwill, patents, trade mark rights and privileges outstanding contracts and all appurtenants, rights, benefits and advantages of the said concern including import and other quota, rights licenses, permits telephones and all other properties, movable and immovable whatsoever and where so ever of the said concern and all trade connected therewith on such terms and conditions as may be agreed upon and with a view thereto, adopt become parties as to and to enter into such agreements other deeds, instruments in writings as may be deemed proper or advisable and to agree to make such modification therein as may be thought fit and to carry on the same into effect with or without modification.
4. To acquire and take over as going concern business of any Company, firm, Cooperative Society, Association of person with its assets and liabilities and other belonging relating thereto carrying on business which the company is authorized to carry on as per terms of agreement to be executed between the vendors and the company and to adopt take over and give effect to the said, agreement.
5. To acquire by purchase, lease, concession, grant, license or otherwise such lands, Buildings minerals, water work, plant, machinery, stock in trade, stores, rights, privilege, easements and other property as may from time to time be deemed necessary for carrying on the business of the company and to build or erect upon any land of the company however acquired such manufactories, workshops, warehouses, offices, residences, and other building as to erect machinery and construct such roadways, tramways, railways branches and sidings, bridges, reservoirs water courses, hydraulic Works.
6. To acquire, build, make, construct, equip, maintain, improve, alter and work factories, buildings, roads, water courses and other work and conveniences which may be necessary or convenient for the purpose of the company or may seem calculated directly or indirectly to advance the Company's interest and to contribute to subsidize or otherwise assets or take part in the construction improvement, maintenance, working management carrying out or control thereof.
7. To sell, exchange, mortgage, let on lease, royalty or tribute, grant, license, easements, options and other rights over manner deal with or dispose off the whole or any part of undertaking, property, assets, right and effects of the company for such consideration as may be thought fit and in particular for stocks, shares whether full or partly paid up or securities of any other company.
8. To pay for any rights or property acquired by the company and to remunerate any person or a company either in cash or by the allotment of fully or partly paid up shares, debentures or other securities or the company.
9. To remunerate any person or firm or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares debentures, debenture stock or other securities of the company or in about the formation of promotion of the conduct of its business.
10. To apply for purchase or otherwise, acquire and protect, prolong and renew in any part of the world any patents, patent, rights, brevets, direction, trademarks designs, licenses, protection, concessions, monopolies and the like conferring any exclusive or no exclusive or limited rights to their use or any

secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purpose of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop or grant licenses or privileges in respect of or otherwise turn to account, the property, rights and information so acquired and to carry on any business in any way connected therewith.

11. To expend money in experimenting on & testing and improving or seeking to improve any patents, rights, inventories, discoveries, processes or information of the Company or which the company acquired or propose acquire.
12. To establish, provide maintain and conduct otherwise subsidize research laboratories and experimental workshop for scientific and technical researches and to undertake and carry on with all scientific and technical researches, experiments and tests of all kinds and to promote studies and research both for scientific and technical invention by providing, subsidizing endeavoring or consisting laboratories, workshops, libraries lecture meeting and conference generally to encourage promote and reward studies researches, investigation, experiment tests and invention of any kind that may be considered likely to assist any of the business which the Company is authorized to carry on.
13. To amalgamate to enter partnership or into any arrangement for sharing of profits, union of interests, co-operation, Joint-venture, license or reciprocal, concession or for limiting competition with any person or companies carrying on or companies engage in or about to carry on or engage in or being authorized to carry on engage in, any business or transaction which the company is authorized to carrying on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefits the Company subject to the M.R.T.P. Act. 1969 and the Companies Act, 1956.
14. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debenture, debenture stock, contracts, mortgage or of any authority, Supreme, municipal local or otherwise or of any person whomsoever, whether incorporated or otherwise generally to guarantee or become Securities for the performance of any contact or obligations but the company shall not do any banking business as defined under the Banking Regulations Act, 1949.
15. To lend Money and to make advances, to make deposits with such person, firms, companies and on such terms as may seem expedient and in particular to with customers and others having dealing with the company and to guarantee the performance of contacts by any person, firms or companies but the company shall not d any banking business as defined under the Banking Regulations Act, 1949.
16. Subject to the provisions of Section 58-A of the Companies Act, 1956 and the Rules made thereunder and directives of RBI to borrow raise or secure the Payment of the money or to receive money on deposits including short term, midterm and long term deposits at interest for any of the purpose of the Company and at such time or times as may be thought fit by promissory notes by taking, borrowings from any person firm bank, company or financial institutions and whether with or without any secrecy Including fixed assets, stocks, book debts or by such other means as the directors may in their absolute discretion seem expedient, and particular by the issue of debentures or debenture stock, perpetual or otherwise and as security for any such money so borrowed, raised, received and if any such debenture stock so issued to mortgage pledge or charge the whole or any part of the property and the assets of mortgage, company both present and future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the tenders powers of sale and other powers as may seem expedient and to purchase redeem or pay off any such securities provided that the company shall not accept any such deposits for the purpose of doing banking business.
17. To pay out of the company's funds the costs, charges expenses, incurred in connection with all material preliminary any incidental to the formation, promotion and incorporation of this company and the costs and expenses incurred in connection with all matters Preliminary and incidental to the formation and

incorporation of another company which may be Promoted by this company in India or any other country.

18. Subject to provision of section 78 of the Companies Act, 1956 place, to reserve or to distribute as bonus shares among the members or otherwise to apply as the company may from time to time think fit any money belonging to the company including those received by way of premium on shares or debentures issued by the company at a premium and any moneys received in respect of dividends accrued on forfeited shares and money arising from the re-issue by the company of forfeited shares.
19. To invest and to deal with the Surplus money of the Company in any investments movable or immovable in such manner as may from time to time see expedient.
20. To distribute all or any part of the property of the company amongst the members in respect of any proceeds of sale or disposal or the Property of the company in the event of winding up of the company.
21. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund if any connected with any particular trade or business or with trade, or commerce generally and particularly with the trade, including any association, institution or fund for the protection of the interests of the masters, owners and employees against loss of by bad debts, strikes, fire, accidents, or otherwise or for the benefit of the employees of the company as any time employed by the company or of company which is a Subsidiary of or its allied to associated with the company or with and such subsidiary company of their families or classes of person and in Particular of friendly, co- Operative and other societies, reading rooms, libraries, educational and charitable institutions refectories dining and recreation rooms, places of workshop, schools, hospitals, residential buildings, bungalows, hotels, offices, warehouses, godowns, structures, erections, parks, gardens, and great charities, gratuities, pensions and money as allowances and to contribute to any funds raised by the public or local subscriptions for any purpose whatsoever and to form, cultivate and otherwise develop the lands for the company or in possession of the company.
22. To adopt such lawful means of making known the business of the Company as may seem expedient and in particular by advertising in the press, television, radio by circulars, by purchase and exhibition of work of art of interest, by publication of books and periodicals and by granting prizes, renew rewards and donations subject to the Section 203-A of the Companies Act. 1956.
23. To enter into any arrangements with any Government, or authority, supreme, Municipal, local or otherwise that may seem conducive to the company's object or any of them and to obtain from any such Government or authority all rights, licenses, concessions and privileges, which the company may think fit, desirable to obtain and to carry out, exercise and comply with any such arrangements, tights, privileges and concessions.
24. To subscribe, contribute or otherwise to assist or guarantee money for National, charitable benevolent, public, general or useful objects or for any exhibitions subject to provisions of section 293-A of the Companies Act, 1956.
25. To open any kind of account or accounts with any bank or banks financial institutions, and to draw, make endorse, discount, execute issue and negotiates bill of exchanges, hundies, bill of lading, promissory notes, warrants, railway receipt and other negotiable or transferable instruments or securities of all descriptions and to buy, sell and deal in the same, subject to the directives of Reserve Bank of India.
26. To undertake financial and commercial obligation transactions and operation of all kinds and in connection with the business of the company. **(BEING DELETED)**
27. To enter into contracts arrangements and agreements with any other companies for the carrying out on behalf of the company of the objects of the Company is formed. **(BENIG DELETED)**

28. To refer or agree to refer any claims, demands, disputes or any other questions by or against the company or in which the company is interested or concerned and whether between the company and the member or member or their or his representatives or between the company and third party or arbitration in India or any place outside of India, and to observe and perform and to do all acts, deals,, matters and things to carry out or enforce the awards.
29. To establish branches, agencies depots and stores in India or elsewhere for sale. purchases and distribution or for any purpose or business of the Company, regulate their working and also discontinue the same and to undertake the management of in part similar to those of this company and take all necessary steps for registering company as may be thought fit.
30. To acquire from any person, firm or body corporate whether in India elsewhere technical information, know-how, processes, engineering, manufacturing and operating data, plans layouts and blue prints useful for design, erection and operation of plant required for any of the objects of the Company and to acquire any grant or license and other rights and benefits in the foregoing matters and things.
31. To import, export buy, sell and deal in whether as principal, agents, brokers or otherwise and of business of importers and exporter, manufacturers, contractors, buying and selling agents, wholesale and retail dealers in all and every kind of products substance, good for any of the objects for which the company is formed. **(BEING DELETED)**
32. To create any reserve fund, insurances funds, dividend equalization fund redemption funds charity fund or any other special fund whether for depreciation or for repairing, improving or maintaining any of the property of the company or any other purposes conducive the interest of the company.
33. Subject to the purposes of the Gift-Tax Act, 1958 and statutory amendments thereof the company has power to make and receive gifts either in cash or other movable or immovable properties.
34. To indemnity members, officers, directors and employees of the company against proceedings, causes, damages, claims and demand in respect of anything done or ordered to be done for and in the interest of the Company and for any loss damages or misfortune, whatsoever, which shall happen in the execution of the duties their or in relation thereto.
35. To execute and to carry out agreement of sale agency or other similar agreement and to appoint sub-agents or distributing agents in connection nee en the company subject to the provisions of the Companies Act, 1956.
36. To undertake and execute the trusts, the undertaking of which may seems to be desirable to the company and their gratuitously or otherwise and invest any real or personal property, rights or interest required by or belonging to the Company in any person or company on behalf or for the benefit of the company and with or without any declared trust in favor of the Company.
37. To institute and to defend any suit, appeal, application for review and revision or any other application of any nature whatsoever to take out execution, to enter into agreements of reference to arbitration and to enforce and where need to be contest any awards and for all such purpose to necessary to remove them.
38. To acquire any share, stocks debentures, debenture stocks, bond obligation or securities by original subscription participation in syndicates tenders, purchase exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise powers conferred by or incidental to the Ownership thereof.
39. To take or otherwise acquire and hold share in any other company having objects altogether or in part similar to those of this company or companies or for any other purpose which may seem directly or indirectly calculated to the benefit of this company as to subscribe for, underwrite, take, hold, deal in and convent stock, shares and scurrilities of any kind.

### **C. OTHER OBJECTS:**

40. To act as selling agents, advertising agents, purchase agents, fractures macadam, carries,, jatha merchants, lading and forwarding agents, brokers, guaranteed brokers in respect of goods, materials and merchandise and produce articles of all kinds and description.
41. To carry on the business as manufacturers, importers, exporters, buyers, sellers, stockiest, distributors and or deal with in all kinds of electrical and electronic accessories, equipment, component, assembly or job contract or design, installed supervision, manufacturing of electric bulbs, tubes, tubes fittings, domestic and industrial electrical appliances all type of control, switches, distribution systems, panel control, equipment, device switch gear as may be conveniently produced or manufactured other by own or on job work basis or in contract basis as require time to time.
42. To carry on the business as manufacturer, designer, erector of sound system, vision system, electrical layout planning, humidification, air condition, partly or wholly of industrial residential and commercial houses, unit or any type wherever applicable.
43. To carry on the business as manufacturers, dealers, exporters and the importers in leathers products.
44. To generate, develop, accumulate, distribute, transmit, supply and/or otherwise deal in any kind of power or electricity energy using coal, lignite, petroleum Products or any other substances, wind energy, solar energy, wave energy, tidal energy, hydro energy or any other form of energy and to set up power plants, wind turbines, power Stations, hydel power Station, solar energy systems or any other source and to produce, buy, sale, treat, exchange, renovated, alter, modernize install or otherwise deal in any type of machine of equipment for generating, distributing, transmitting, energy, including electricity and to deal with all persons including companies, government and semi-government bodies for these purpose and to deal with all place including cities, towns, villages, districts, docks, markets, theatres, building, industries, offices etc. and to do all such acts deeds and things including construction, laying down, establishing, fixing and to carry out all necessary activities for the aforesaid purpose.
45. To takeover existing generation plants and companies and distribution and transmission systems and to renovate the generating plant and distribution and transmission system, and to acquire, take over any license, concessions for energy generation, distribution, and transmission.
46. To carry on the business of builders, constructors, constructions, developers, contractors, real estates, real estate consultants, brokers & developments or otherwise deal in houses, land, buildings, apartments, structures or residential, office, industrial institutional or commercial or developers of co-operative housing societies, developers of housing schemes, townships, holiday resorts, hotels, motels sheds or any other property and to purchase or otherwise acquire land, houses, offices, workshops, buildings and remises for the purpose of aforesaid business and collection of information related to communications property and construction, property investment.
47. To carry on in India or elsewhere the business to manufacture, develop, import, export, buy, sell, distribute, transfer, lease, hire, license, use, dispose off, operate, fabricate, assemble, record, maintain, repair, recondition, work, alter, convert, improve, procure, install, modify and to act as consultant, agent, broker, franchiser, job worker, representative, advisor or otherwise to deal in all kinds of computers, calculators, micro processors, electronic and electrical apparatus, software, equipments, gadgets, peripherals, modulers, auxiliary instruments, tools, plants, machines, works, systems, convene, spare parts, accessories, devices, components, fixture of different capacities, sizes, specifications, applications, descriptions and models used or may be used in the field of space aviations, surface water and air transports, railways, defense, medical, engineering, industries, construction, mining, powers, traffics, Offices, police, communications, trade, commerce weather satellite, research, hospitals, hotels, advertising, education, decorations, automobiles, geographical, recreational, domestic and other allied purposes such as computers, mini computers, super computers, pocket computers, personal computers,

micro computers, engineering computers, general purpose and process control computers, information and word processing equipments, copying machines and electronic typewriters.

- I. **The liability of the members is limited.**
- II. **\*The Authorized Share Capital of the Company is Rs. 16,00,00,000/- (Rupees Sixteen Crores Only) divided into 1,60,00,000 (One Crore Sixty Lac) Equity Shares of Rs. 10/- (Rupees Ten Only) each.**

{The Authorized Share Capital of the Company is increased from Rs. 6,00,00,000 to Rs. 16,00,00,000 vide Ordinary Resolution passed at the Extraordinary General Meeting held on November 29, 2021}.

\*Substituted vide Ordinary Resolution passed by the members of the Company at the Extraordinary General Meeting held on November 29, 2021.

**CERTIFIED TRUE COPY**  
**For PANCHSHEEL ORGANICS LIMITED**

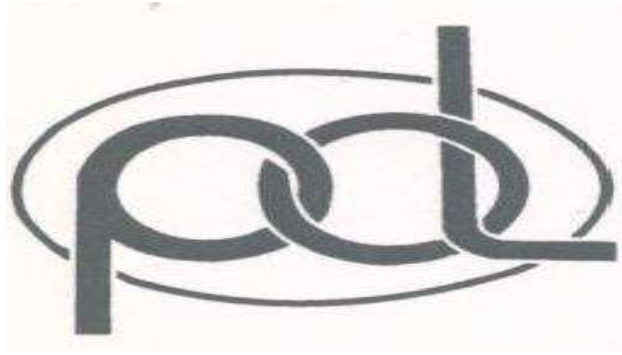
**MAHENDRA A. TURAKHIA**  
Managing Director  
DIN : 00006222



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

Sr. No.	Names Addresses, Descriptions and Occupation of Subscribers	No. of Equity Shares take (in words and figures)	Signature of Subscribers	Signature, Name Addresses, Description and occupation of witnesses
1.	<b>Mahendra Turakhia</b> <b>S/o Abhaychand Turakhia</b> <b>166, Ranipura Main Road,</b> <b>Indore. (M.P.)</b>  <b>Business</b>	<b>10</b> <b>(TEN)</b>	<b>sd/-</b>	
2.	<b>Kishore Turakhia</b> <b>S/o Abhaychand Turakhia</b> <b>166, Ranipura Main Road,</b> <b>Indore. (M.P.)</b>  <b>Business</b>	<b>10</b> <b>(TEN)</b>	<b>sd/-</b>	<b>Sd/-</b> <b>S.K. Dhoka</b> <b>C/o M/s S.K. Dhoka &amp;Co.</b> <b>Chartered Accountants</b> <b>91, Jawahar Marg,</b> <b>INDORE (M.P.)</b>

**20**  
**(TWENTY)**



# **Panchsheel Organics Limited**

**Regd. Off:** B-6 & B-7 SECTOR-C, INDUSTRIAL AREA,  
SANWER ROAD, INDORE MP: 452015

**CIN:** L24232MP1989PLC005390

## ***ARTICLES OF ASSOCIATION***

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THE COMPANIES ACT, 1956

(A COMPANY LIMITED BY SHARES)

ARTICLE OF ASSOCIATION  
OF  
PANCHSHEEL ORGANICS LIMITED

PRELIMINARY

1. The regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956, Shall not apply to the company, except in so far as they are embodied in the following Articles which shall be the regulations for the management of the Company. Table 'A' not be apply
2. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any Statutory modification thereof for the time being in force at the date at which the Articles become binding on the Company.
- 2A.\* Wherever in Companies Act, 2013 ('the Act'), it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction(s) only if the Company is so authorized by its Article, then and in that case by virtue of this Article, the Company is hereby specifically authorized, empowered and entitled to have such rights, privilege or authority, to carry out such transaction(s) as have been permitted by the Act without there being any separate/specific article in that behalf herein provided."

*\* Inserted vide Special Resolution passed by members vide postal ballot held on 7<sup>th</sup> March 2020.*

INTERPRETATION

3. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:-

'The Company' means PANCHSEEL ORGANIC LIMITED.

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

'The Board' or Board of Directors' means a meeting of the Directors duly called and constituted as the case may be, the Directors assembled at the Board of Directors of the Company Collectively.

'Directors' means the Directors of the Company and includes person occupying the position of Directors by whatever name called.

'Managing Director means the managing Director for the time being of the Company.

'Office' means the Registered Office for the time being of the Company.

'Register means the Register of members to be kept pursuant to section 150 of the Act.

'Seal' means the Common seal for time being of the Company.

'Month' means calendar month.

'Dividend' includes Bonus.

'Persons' include Corporations, Firms as well as Individuals.

'Proxy' includes Attorney duly constituted under a power of attorney.

'In writing' and 'Written' include printing, lithography and any other modes of representing or reproducing words in visible form.

'Capital' means the Capital for the time being raised or authorized to be raised for the purposes of Company.

'Debenture' includes debenture stock.

'Chairman' means the Chairman of the Board of Directors for the time being of the company.

'These presents' means the Memorandum of Association and these Articles of Association of the Company for the time being in force.

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

Marginal Notes.

5. I. The Company shall not have power to buy its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of sections 100 to 104 or of section 402 of the Act.

Company's funds may not be applied in purchase of or lent on shares of the Company.

II. The Company shall not give, whether directly or indirectly and whether by means of loan, guarantee, the provisions of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any persons of or for any shares in the Company or in its holding company provided that nothing in this clause shall be taken to prohibit:

a. The provision in accordance with any scheme for the time being in force, of money for the purchase of, or subscription for, fully paid shares in the Company or its holding company being a purchase or subscription by trustees of or for shares to be held by or for the benefit of employees of the company including any Directors holding a salaried employment in the Company, or

b. The making by the Company of loans within the limit laid down in sub-section (3) of section 77 of the Act. to persons (other than Director or Managers) bonafide in the employment of the Company, with the view to enabling those persons to purchase or subscribe for, fully paid shares in the company or its holding company to be held by themselves by way of beneficial ownership.

6. Copies of Memorandum and Articles of Association of the Company shall be furnished to every shareholder at his request on payment of Rs. 1/- each.

To provide copy of Memorandum and Articles of Association on Request.

#### COMMENCEMENT OF BUSINESS

7. Subject to the provisions of sub-section (2-A) of sections 449 of the Act, the Company may, from time to time by a Special Resolution, commence any new business in relation to any of the objects set out in Clause III of its Memorandum of Association.

Commencement of new Business

#### SHARES

8. The Authorized Share Capital of the Company shall be of such amount as may be mentioned in the Capital Clause (Clause V) of the Memorandum of Association of the Company from time to time.

Share Capital

\*Substituted vide Special Resolution passed by the members of the Company at the Extraordinary General Meeting held on November 29, 2021.

CERTIFIED TRUE COPY  
For PANCHSHEEL ORGANICS LIMITED

MAHENDRA A. TURAKHIA  
Managing Director  
DIN : 00006222

9. 1) Subject to the provision of Section 80 & 80A of the Companies Act, the Company shall have powers to issue preference shares liable to be redeemed at the option of the Company and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

Power to issue  
Redeemable  
Preference Share.

Provided that:

- a. No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of fresh issue of shares made for the purpose of redemption;
  - b. No such shares shall be redeemed unless they are fully paid;
  - c. The premium, if any, payable on redemption shall be provided for out of the profits of the Company or out of the Company's Shares Premium Account, before the shares are redeemed;
  - d. Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which should otherwise have been available for dividend, be transferred to a Reserve Account to be called "Capital Redemption Reserve Account", a sum equal to the nominated amount of the shares redeemed; and the provisions of the Act relating to the redemption of the Share Capital of a company shall except as provided under section 80 of the Act or herein apply as if Capital Redemption Reserve Account were paid up share capital of the Company;
  - e. Subject to the provisions of section 80 & 80A of the Act, and this Article, the redemption of Preference Shares here under may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may deem fit.
- 2) Subject to the provisions on which shares have been issued, the redemption of Preference Shares may be affected on such terms and in such manner as may be provided by the Articles of the Company or the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.
- 3) The redemption of Preference Shares under this provision by the company shall not be taken as reducing the amount of its Authorized share capital.
- 4) Where in pursuance of this Article, , the Company has redeemed or its about to redeem any Preference Shares, it shall have powers to issue shares up to the nominal amount of the Shares redeemed or to be redeemed as if THOSE shares had never been issued; and accordingly the share capital of the Company shall not for the purpose of calculating fees payable under section 61 of the Act be deemed to be increased by the issue of shares in pursuance of this clause.
- Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relate to the stamp duty be deemed to have been issued in pursuance of this clauses unless old shares are redeemed in one month after the issue of new shares.
- 5) The Capital Redemption Reserve Account may not withstanding anything in this article, be applied by the Company in paying up unissued shares of the Company to be issued to members of the Company as fully paid up bonus shares.

10. Subject to the provision of these Articles and of Section 81 of the Act, the share shall be under the control of the Board who may be allot or otherwise dispose of the same to such person, on such terms and condition at such time, either at par or at a premium and for such consideration as the Board thinks fit, Provided that, where at any time it is proposed to increase Subscribed Capital of the Company by the allotment of further shares, than, Subject to the provisions of section 81 (1A) of the Act the board shall issue such shares in the manner set out in section 81 (1) of the Act, provided further that the option or right to call on shares shall not be given to any person or persons except with the sanction of the Company in General Meeting. Allotment of Shares.
11. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery Supplied or for services rendered to the Company in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted, may be issued as fully or partly paid up shares, and if so issued shall be deemed to be fully or Partly paid up shares, as the case may be. Director may allot Shares for consideration other than cash.
12. The shares in the Capital shall be numbered progressively according to their several Denominations. Shares to be numbered.
13. As regards all allotment made from time to time the Company shall duly comply with section 75 of the Act. Return of allotment.
14. If the Company shall offer any of its shares to the public for subscription; Restriction on allotment.
- 1) No allotment there of shall be made, unless the amount stated in the prospectus as the minimum subscription has been subscribed and the sum payable on application thereof has been paid to and received by the Company.
  - 2) The amount payable on application on each share shall not be less than 5 percent of the nominal amount of the share; and
  - 3) The Company shall comply with the provisions of sub-section (4) of section 69 of the Companies Act.
15. The Company may exercise the Powers of paying commission conferred by section 76 of the Act, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the commission shall not exceeds 5 per cent of the price at which any shares, in respect where of the same is paid, are issued or 2 1/2 percent of the price at which any debentures are issued (as the case may be) or such rate which may be lawfully permissible. Such commission May be satisfied by the payment of cash or the allotment of fully or partly paid shares or Partly in one way and partly in the other. The Company may also on any issue of shares or debentures Pay such brokerage as may be lawful. Commission & Brokerage.
16. With the provisions/ authority of the Company in General Meeting and the sanction of the Court and upon otherwise complying with section 79 of the Act, the Board may issue at a discount shares of a class already issued. Shares at a discount.
17. If by the conditions of issue of any shares, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment Shall, when due be paid to the Company, by the person, who for the time being, shall be the registered holder of the shares or by his executor or administrator. Installments on shares to be duly paid.
18. The joint holders of a share shall be severally as well as jointly liable for Liability of joint holders

the payment of all installments and calls due in respect of such a share. of shares.

19. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction, or as by statute required) be bound to recognize any trust, benami or equitable or other claim to or interest in such share on the part of any other person. Trusts not recognized.

20. Share may be registered in the name of Person, company or other body corporate. Not more than three persons shall be Registered as joint holders of any share. Who may be registered.

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

21. The Company in General Meeting may, from time to time, by Ordinary Resolution increase the capital by the creation of new shares of such amount as may be considered expedient. Power to increase Capital

22. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company then issued, the new shares may be issued upon such terms and conditions, and with such rights and privileges thereto as the General Meeting resolving upon the creation thereof, shall direct, and if no direction given, as the Board determines. On what conditions new shares may be issued.

23. Before the issue of any new shares, the Company in General meeting may make provisions as to the allotment and issue of the new shares, and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium or subject to the provisions of section 79 of the Act, at a discount; in default of any such provision, or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of Article 10. Provisions relating the issue.

24. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the then existing capital of the Company and shall be subject to the provision here in contain with reference to the payment of dividend, calls and instruments, transfer and transmission, forfeiture, lien, surrender and otherwise How for new shares to rank with existing Shares.

25. If owing to any inequality in the number of new shares to be issued and the number of shares held by the members entitled to have the offer of such new shares, any difficulty shall arise in the allotment of such new shares amongst the members such difficulty shall, in the absence of any direction in the resolution creating the shares OR BY THEW Company in the General Meeting, be settled out by the Board. Inequality in the number of new shares.

26. The Company may by special resolution subject to the confirmation by the Court, reduce:- Reduction of Share Capital.  
a. It Share Capital;  
b. Any Capital Redemption Reserve Account;  
c. Any Share Premium Account.

#### **ALTERATION OF SHARE CAPITAL**

27. The Company may by Ordinary Resolution: Power to subdivision and consolidation of shares.  
a. Consolidate and divide all or any of shares capital into larger amount than its existing shares;  
b. Subdivide its existing shares or any of them in to shares of smaller amount if fixed by memorandum, subject, nevertheless, to the provision of clause (d) of sub-section (1) of section 94 of the Act;  
c. Cancel any shares, which at the date of passing of Resolution have not been taken or agreed to be taken by any person.

28. Where any share capital is subdivided, the Company in General Meeting subject to the provisions of section 85, 87, 88 and 196 of the Act, may, determine that, as between the holders of the shares resulting from such subdivision, one or more of such shares shall have some preferential or special rights as regards dividend, payment of capital, voting or otherwise. Rights in respect of shares on subdivision
29. Subject to the provisions of sections 100 to 105 (inclusive) of the Act, the Board may, accept from any members the surrender on such terms and conditions as shall be agreed, of all or any of his shares. Surrender of shares

#### VARIATION OF SHAREHOLDERS' RIGHTS

30. If at any time the share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of sections 106 and 107 and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at the separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations to the general meeting shall mutatis mutandis apply but so that the necessary quorum shall be 2 persons at least holding or representing by proxy one-third of the issued shares of the class in question. Power to vary rights.

#### SHARE CERTIFICATE

31. Subject to the provision of Section 113 of the Act, The certificate of title to shares shall be issued within three months after allotment or within one month after application for the registration of transfer received under the seal of the Company signed by two directors and the secretary or some other person appointed by the Directors, subject to such rules and regulations as may be prescribed by the law from time to time. Issue of Certificate.
32. 1) Every person whose name is entered as a member in the register of members shall be entitle to receive with three months of allotment or within one month after the application for r registration of transfer (or within such other period as the conditions of issue shall provide) : Members' Right to certificates
- a. One certificate for all his shares without payment;
  - b. Several certificates each for one or more of his shares upon payment of two rupees for every certificate after the first.
- 2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid thereon.
- 3) In respect of any share held jointly by several pson, the Company shall not be bound to issue more than one certificate, and delivery of certificate for share to one of several joint holders shall be sufficient delivery to all such holders.
- 4) Notwithstanding anything contain in clause (1) above here, the Board of Directors may refuse application for subdivision or consolidation of share certificates in to denomination of less than 100 Equity Shares except when such subdivision or consolidation is required to made or to be made to comply with a statutory Order of a Competent Court of law.
33. The certificate of shares registered in the names of two or more persons shall be delivered to the person first named in the register. Issue of certificates to joint holder
34. The Company agrees not to make any change ; Replacement of certificates etc.
- a. For registration of transfer of shares and debentures.



- b. For sub-division and/or consolidation of shares and/or debenture Certificates and for sub division of letters of allotments and split, consolidation renewal and pucca transfer receipts into denominations corresponding to the market units of trading.
  - c. For sub-division of renounceable or Rights.
  - d. For issue of new certificates in replacement of those which are old, decrepit, worm out or where the cages on reverse for recording transfers have been fully utilized
  - e. For registration of any Power of Attorney probate, letters of Administration or similar other documents.
35. The Company agrees not to charge any fees exceeding those which may be agreed upon with the stock-exchange :-
- a. For issue of new Certificates in replacement to those which are torn, defaced, lost or destroyed
  - b. For sub-division and consolidation of shares and debentures Certificates and for sub-division of Letters of Allotment, split, consolidation, renewal or pucca receipts into denominations other than those fixed for the market units of trading.
36. Where a new share certificates has been issued in pursuance of the last preceding paragraph, particulars of every such certificate shall also be entered in a Register of Renewed and Duplicate Certificates indicating against the name of the person to whom the certificates is issued, the number and date of issue of the certificate in lieu which the new certificate is issued and the necessary changes indicated in the Register by suitable cross reference in the "Remarks" column. All entries made in the Register or in the Register of Renewed and Duplicate Certificates shall be authenticated by the Secretary or such other person as may be appointed by the Board for purposes of sealing and signing the share certificate under clause 31 hereof.

Charges for upon replacement of certificates etc.

Particulars of new certificate to be entered in the Register

### CALLS

37. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by installments and shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board.
38. No call shall exceed one half of the nominal amount of a share, and be made payable at less than one month from the date fixed for the payment of the last preceding call not less than fourteen days notice of any call shall be given specifying time and place of payment and the person or persons to whom such call shall be paid. Provided that, before the time for payment of such call the Directors may, by notice in writing to the members revoke the same or extend or extend the time for payment thereof.
39. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments as fixed times, whether on account of the nominal amount of the share or by way of premium every such amount of installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given, and all the provisions herein contained in respect of calls, forfeitures or otherwise shall relate to such amount or installments accordingly.

Calls

Restriction on power to make calls and notice.

When amount payable.

40. if the sum payable in respect of any call or installment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made, or the installment shall be due, shall pay interest for the same at the rate as may be decided by the Board from time to time from the day appointed for the payment thereof to the time of the actual payment. The Directors may in their absolute discretion waive the payment of interest, wholly, or in part in the case of any person liable to pay such call or installment. When interest on calls or installment payable.
41. on the trial or hearing of any action for the recovery of any money due for any call it will be sufficient to prove that the name of the member sued is entered in the register as The holder or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the Minute, Book' and that notice of such call was duly given to the members sued in pursuance of these presents, and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of matter aforesaid shall be conclusive evidence of the debt. Evidence in action for call.
42. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regards to which the Company has, and has exercise any right of lien. Voting rights when calls in arrears
43. The Directors, may, if think fit, receive from any member willing to advance the same, all or any part any part of the money uncalled unpaid upon any shares held by him; and upon all or any of the money so advanced may (until the same but for such advance become presently payable), pay interest at such rate as may be agreed between the Board and the members paying the sum in advance. And the Board at any time, repay the amount so advance upon giving to such member three month notice in writing. Provided that money paid in advance of class on any share may carry interest, but shall not in respect thereof confer a right to dividend or participation in the profits of the Company. Payment of calls in advance.
44. A call may be revoked OF postponed at the discretion of the Board. Revocation of calls.

#### **FORFEITURE AND LIEN**

45. If a member fails to pay any sum payable in respect of call or any installment of a call on or before the day appointed for payment thereof, the Board may at any time thereafter, during such time when any part of the said call or installment as if unpaid together with interest which may have accrued and all expenses that may have been incurred by the Company by reason of such nonpayment. Notice of payment of call or installment.
46. The notice aforesaid shall name a further day, not being earlier than the expiry of fourteen days from the date of service of the notice, on or before which the payment required by notice, is to be made and place at which such calls or installments and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment on or before the date of so named, the shares in respect of which such call or installment was payable shall be liable to be forfeited. Mode of Notice.
47. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board of that effect. The forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. Forfeiture of shares.

48. 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 in any manner be invalidated by any omission or failure to give such notice or to make such entry as aforesaid. Notice of forfeiture.
49. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, annul the forfeiture thereof on such terms as it thinks fit. Forfeited shares to become property of the Company:
50. The Board may at any time before any share so forfeited shall have been sold re-allotted or otherwise disposed, of annul the forfeiture thereof on such terms as it, think fit. Board may annual forfeited
51. A person whose share has been forfeited shall cease to be member in respect of forfeited share, but shall, notwithstanding be liable to pay, and shall, forthwith pay to the Company all calls, installments, interest and expenses, owing upon or in respect of such share at the time of forfeiture together with interest thereupon from the time of forfeiture, until payment, at the rate as may be determined by the Board the Directors may enforce the payment of such moneys or any part thereof if they think fit but shall not be under any obligation to do so. Liability on forfeiture.
52. A duly verified declaration in writing that the declarant is a Director, the managing Director, or Secretary of the Company and that shares in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the considerations, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of, and the transferee shall be registered as a member in respect of such share. The transferee shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of such share. Evidence of Forfeiture.
53. The provision of these regulations as to forfeiture shall apply in the case of no-payment of any sum which, by the term of issue of a share, debenture become payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same has been payable by virtue of a call duly made and notified. Forfeiture provisions apply to nonpayment in items of issue.
54. The Company shall have a first and paramount lien upon all the shares (other than the fully paid up shares) 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 a fixed time in respect of such shares, and no equitable interest in any share shall be created except upon the footing and condition that this article will have full effect, such lien shall extend to all dividends and bonuses 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. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause. Company's lien on shares.
55. For the purpose of enforcing such lien, the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or other legal representative, Enforcement of lien by sales.

as the case may be and default is made by him or the min payment of the sum payable as aforesaid in respect of 'such share for fourteen days after the date of such notice.

56. The net proceeds of any such sale shall be received by the Company and after payment of the cost of such sale, be applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall be paid to the person entitled to the share on the date of the sale. Application of Proceeds of sales.
57. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers here in before conferred, the Board may appoint some persons to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold, and the purchaser shall not be bound to see to the regularity of the proceedings. nor to the application of the purchase money, and after his name has been entered into the Register in respect of such share, the validity of the sale shall not be impeached by any person on any ground whatsoever, and the remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively. Validity of sales in exercise of lien and after forfeiture.
58. Where any share has been sold by the Board pursuant to these Articles and the certificate in respect thereof has not been delivered to the Company by the former holder of such share, the Board may issue a new certificate for such share, distinguishing it in such manner as it may think fit from the certificate not so delivered where, in any such case the certificate in respect of the share forfeited and/or sold is not delivered, and new certificate for such share has been issued, the original certificate shall be treated as cancelled and no claim or title based on such certificate shall be binding on the Company. Board may issue new certificate.

#### **TRANSFER AND TRANSMISSION OF SHARES**

59. Save as provided in section 108 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the certificate relating to the shares, or, if no such certificate is in existence, along with the letter of allotment of shares, in accordance with the provisions of section 108 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness, who shall add his address. Execution of transfer etc.
- Provided, that, where 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 Board of 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 fit.
60. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of the partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by section 110 of the Act and subject to the provisions of these Articles, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the Application for registration of transfer.

application for registration of the transfer was made by the transferee.

61. Without in any way derogating from the powers conferred on the Board under these Articles, the Directors shall be entitled to refuse an application for transfer of less than 100 Equity shares of the company subject however, to the following exceptions:
- a. Transfer of Equity Shares made in pursuance of Statutory Order or an Order of a Competent Court of Law.
  - b. Transfer of the entire holding of Equity Shares of a Member which is less than 400, to one or more transfers provided that total holding of the transferee or each of the transferee, as the case may be, will not be less than 50 Equity Shares after the said transfer.
  - c. Transfer of the entire holding of Equity Shares of Member, which is less than 100 by single transfer in single or joint names of another member.
  - d. Transfer of Equity Shares held by Member, which are less than 100, in cases of hardship at the discretion of the Directors. Not with standing anything stated above, consolidation of share certificates or transfer of shares in any lot will not be refused. The Company, however, retains the power of refusing to split a share certificate into several scripts of small denominations or to consider a proposal for transfer of shares comprised in a Share Certificate to several parties involving such splitting which is on the face of it shows that such splitting/ transfer is unreasonable or without a genuine need, Except as above, the Company would not refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.
62. Subject to section 441 of the Act, and section 22-A of the securities Contracts (Regulation) Act, 1956 the Board shall have uncontrolled powers to register the transfer of the shares of the Company. Directors may refuse to register transfer.
- PROVIDED THAT registration of transfer shall not be refused on the ground of transferor being either alone or jointly with any other person or persons indebted to Company on any account whatsoever except a lien on the shares. If the Directors decline to register any transfer, they shall give notice of such refusal to the transferee and the transferor as required by section 111 of the Act.
63. Every instrument of transfer of shares shall be in the form prescribed under the Act and shall be in accordance with the provisions of section 108 of the Act, and of any statutory modification thereof for the time being. There shall not be charged any fee of fees in respect of transfer or transmission of any number of shares. Form of Transfer.
64. Every instrument of transfer shall be left at the Office of the Company for registration, accompanied by the relevant certificate of the shares, or if no such certificate is in existence, by the Letter of Allotment of the share and such other evidence as the board may require to prove the title of the transferor or his right to transfer the share. Every instrument of transfer which shall be registered shall not be returned by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same. Instrument of transfer be left at office.
65. Subject to the provisions of section 154 of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may, from time to time, determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year. Suspension of transfers.
66. If the Board refuses, whether in pursuance of Article 62 or otherwise, to Notice of refusal to

register the transfer of, or the transmission by operation of law of the right to any share, the Company shall, within two months from the date on which the instrument of transfer or the intimation of such transmission as the case may be, was lodged with the Company, send to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, notice of such refusal. registration of transfer.

67. In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and his legal representative where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons, The Board may require any persons becoming entitled to the shares in consequence of the death of any member to obtain a Grant or probate or Letters of administration or other legal representation, as the case may be from Competent Court in India. It shall be lawful for the Board in its absolute discretion to dispense with the production of Probate or Letter of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board may think fit without in any case being bound to do so. Persons entitled to shares by transmission.
68. No transfer shall be made to a person of unsound mind. No transfer to person of unsound mind.
69. No partly paid share shall be transferred to a minor. Transfer of partly paid up share.
70. Any person becoming entitled to share in consequence of death, insanity, bankruptcy or insolvency, of a member may, upon producing such evidence as the Board may think fit and subject as herein after provided, elected either to be registered as a member in respect of such share or to transfer such share to some other person. Transfer of shares of insane deceased or bankrupt members.
71. The Directors may retain the dividend payable upon shares to which any person becomes entitled under Article 70 until such person or his transferee shall become a member in respect of the shares. Right of Persons entitled to shares by reason of death etc.
72. a. If the person becoming entitled to a share under Article 70 shall elect to be registered as a member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Election by persons becoming entitled to Shares.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the shares.
- c. 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 of transfer as aforesaid as if the death, insanity, bankruptcy or insolvency of the member had not occurred and the notice of transfer was a transfer signed by that member.
- d. A person becoming entitled to a share by reason of deaths, insanity, bankruptcy or insolvency of the member shall, subject to the provisions of Article 71 and of Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered member in respect of the share.

Provided that, the Board may at, any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if notice is not complied with within ninety days, the Board may thereafter withhold the payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

73. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the company may have had notice of such equitable right, title or interest or notice purporting to prohibit registration of such transfer, and may have entered such notice in any Book of the company and the Company shall not be bound or required to regard or attend for give effect to a notice which may be given to it of any equitable right, title or interest or by under any liability whatsoever for refusing or neglecting right, title or interest or by under any liability whatsoever for refusing or neglecting so to do, through it may have been entered or referred to in some Books of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board thinks fit.
- Company not liable for disregard of a notice purporting to prohibit registration of transfer.

### **BORROWING POWERS**

74. The Directors may raise or borrow any sum or sums of money for the purpose of the Company and may secure payment or repayment of the same in such manner and upon such terms and conditions as may be prescribed by the Board in particulars by the creation of any mortgage, hypothecation, pledge or charge on and over the Company's stocks, book debts, other movable properties, provided that the Directors shall not without the sanction of a General Meeting of the Company, borrow money, where the moneys to be borrowed together with money, already borrowed by the Company apart from the temporary loans obtained from the Company's bankers in the ordinary course of business 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 purposes.
- Power to Borrow.
75. The Directors may raise or secure the repayment of such or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture stock, or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company, both present and future, including its Uncalled Capital for the time being or by giving. accepting or endorsing on behalf of the Company any promissory notes, bill of exchange or other negotiable instruments, provided however, option or right to Call on shares shall not be given to any person except with the sanction of the Company in General Meeting and no debenture shall carry any voting right whether generally or in respect of particular class of shares or business.
- Conditions on which moneys may be borrowed by the Directors.
76. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into any shares of any denomination and with any special privileges, as to redemption, surrender, drawing, allotment of shares, appointment of Directors and/or otherwise. Any debentures, debenture stock, bonds of other securities may be made assignable free from any equities between the company and the person to whom the same may be issued, provided that the debentures with right to conversion into shares shall not be issued without consent of the Company in General Meeting.
- Issue at discount etc. or with special privileges.
77. The Directors shall cause a proper register to be kept in accordance with Section 143 of the Act, of all mortgages and charges specially affecting the property of the Company and shall duly comply with the requirements of Section 125 of the Act, in regard to the registration of mortgages and charges therein specified and otherwise.
- Register of Mortgages or charges to be kept.
78. Save as provided in Section 108 of the Act, no transfer of debentures shall
- Instrument of transfer

- be registered unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company together with the certificates of the debentures or if no such certificate is in existence, together with relevant Letter of Allotment.
79. If the Board refuses to register the transfer of any debentures of the Company it shall within two months from the date on which the instrument of transfer was lodged with the company, send to the transferee and to the transferor notice to the refusal. Notice of refusal to register transfer.
80. If any Director or any other person becomes personally liable for the payment of any sum primarily due from the company, the Board 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 Director or person so becoming liable, as aforesaid, from any loss in respect of such liability. Execution of charges or mortgages by the Board.
81. Subject to the provisions of Section 58-'A' and rules made there under the Directors may receive deposits for such term and bearing interest at such rates as the Directors may fix which may be made payable monthly, quarterly, half-yearly or yearly. Power to receive deposit
82. The Statutory Meeting of the Company shall, as required by Section 165 of the Act, be held at such time not being less than one month, nor more than six months from the date at which the Company shall be entitled to commence business and at such place the Board may determine and the Board shall comply with the other requirements of that section as to the report to be submitted and otherwise. Statutory Meeting.

#### **GENERAL MEETING**

83. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166 (1) of the Act and, subject to the provisions of Section 166 (2) of the Act, at such times and places as may be determined by the Board. Each such General Meeting shall be called as "Annual General Meeting" and shall be specified as such in the notice convening the meeting. All other meetings of the company shall, except in the case where an Extraordinary General Meeting is convened under the provisions of the next following Article, be called as "General Meeting". Annual General Meeting.
84. The Board may, whenever it thinks fit, call a general meeting and it shall, on the requisition of the members in accordance with Section 169 of the Act proceed to call an Extraordinary General Meeting. The requisitionists may in default of the Board convening the same, convene the Extraordinary General Meeting as provided by Section 169 of the Act. Extraordinary General Meeting.
85. A meeting of the Company maybe called by not less than twenty-one clear days' notice in writing but a General Meeting may be called after giving shorter notice than that specified above if consent is accorded thereto in the case of any Annual General meeting, by all the members entitled to vote thereat and in case of any other meeting, by the members of the Company holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting provided that where any members of the Company are entitled to vote only on some resolution or resolution so be moved at a meeting and not on the others, those members shall be taken into account for the purpose of this Article in respect of the former resolution or resolution and not in respect of the latter. Notice of Meeting.
86. The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolution and circulating statement on the requisition of the members. Circulation of notice.



## PROCEEDINGS OF GENERAL MEETING

87. The business of Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Report of the Directors and of the Auditors to elect directors in place of those retiring, to appoint auditors and fix their remuneration, to declare dividend and to transact any other business which can be transacted at an Annual General Meeting and other businesses which can be transacted at any other General Meeting shall be deemed special business. Business of Annual General Meeting
88. Where any items of business to be transacted at a meeting are deemed to be special as defined in Article 87 there shall be annexed to the notice of the Meeting, a statement setting out all material facts concerning each such item of business including the particular nature of the concern or interest, if any, therein of every director, where any item of business consists of the according of approval of any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement of material facts. No General Meeting shall be competent to discuss or transact any special business which has not been specifically Stated in the notice of the meeting. Notice of Special Business.
89. No business shall be transacted at a General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five members present in person shall be the quorum for the meeting of the Company. Quorum.
90. Any act or resolution which, under these article of the Act is permitted or required to be done or passed by the Company in General Meeting, shall be sufficiently so done or passed if effected by an ordinary resolution as defined in section 189 (1) or in the Act unless either the Act or the articles specifically require such act to be done or resolution to be passed by a Specific majority or PY special resolution as defined in Section 189 (2) of the Act. Passing of Resolution.
91. The Chairman, if any, of the Board of Directors shall preside as Chairman at every. General Meeting of the Company, if at a meeting, the Chairman is not present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act as Chairman, of the meeting, the members present shall choose another Director as Chairman, and if no Director be present, or if all the Director present decline to take the chair, then the member present shall elect one of them, being a member entitled to vote, to be the Chairman of the meeting, Chairman of the General Meetings.
92. If within half-an-hour from the time appointed for holding the meeting of the Company a quorum is not present, the meeting if called upon the requisition of members, shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in next week, at the same time and place, or to such other day and such other time and place as the board may be notice appoint and if at such adjourned meeting also a quorum is not present with half-an-hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was call. Dissolution and adjournment of General Meeting.
93. Every question submitted to a meeting shall be decided, in the first instance, by a show of hands in the case of an equality of votes, whether on show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote in addition to the board to which he may be entitled as a member. Vote by show hands.

A declaration of the Chairman that the resolution has on a show of hands been carried or carried unanimously or by particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof of number or proportion of the votes record in

favor of or against the resolution.

94. Every Director of the Company shall have the right to attend at any general meeting of the Company and also to take part in the discussion there at even if he may not hold any shares in the Capital of the Company. Directors' right to attend meeting
95. At any general meeting unless a poll is (before or on the declaration of the result of the show of hands) demanded either by the Chairman of his own motion, or by any Member or Members present in person or by proxy and holding share in the Company, which confers a power to vote on the Resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than fifty thousand Rupees has been paid-up, a declaration by the Chairman that the Resolution has or has not been carried either unanimously or by a particular majority, and an entry to the effect in the book containing the minutes of the proceeding of the Company shall be conclusive evidence of the fact without proof of number or proportion of the votes cast in favor of, or against the resolution. What is to be evidence of the passing of resolution where a poll is not demanded.
96. a. If a poll is demanded as aforesaid, it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting and, on any other question it shall be taken at such time not being later than forty eight hours from the time when the demand was made, as the Chairman may direct. Poll  
b. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.  
c. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers at least one of whom shall be a member (not being an officer or a employee of the Company) present at meeting, provide such a member is available, and willing to be appointed, to scrutinizes the votes given on the poll and to report there on to him. The Chairman shall have powers at any time before the result of the poll is declare to remove a scrutineers from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.  
d. The result of the poll shall be deemed to be the decision of meeting on resolution on which the poll was taken.  
e. The demand for a poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.
97. 1) The Chairman of a general meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Power to adjured General Meeting.  
2) When a meeting is adjourned, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### VOTES OF MEMBERS

98. Subject to any rights or restriction for the time being attached to any class or classes of shares: Votes of members.  
a. On a show hands, every member present in person, shall have one vote; and.  
b. On a poll, voting rights of members shall be as laid down in Section 87 of the Act.
99. Except as conferred by section 87 of the Companies Act, the holders of Preference Share shall have no voting rights. Where "the holders of any Voting right of preferential shareholders

preference share has right to vote on any resolution in accordance with the provision of the sub-section (2) of section 87 of the Companies Act, his voting right on a poll as the holder of such share shall subject to the provision of section 89 and sub-section (2) of section 92 of the Companies Act, be in the same proportion as the capital paid up in respect of the shares bears to the total paid up Equity Capital of the Company.

100. A Company or a body corporate which is a member of the Company may vote by proxy or by representative duly appointed in accordance with the section 187 of the Act. A person duly, appointed to represent the member Company at any meeting of the companies shall be entitled Company or at any meeting of any class of members exercise the same right and power (including the right to vote by proxy) on behalf of the member Company or body corporate could exercise it were an individual member. Vote by body corporate and companies
101. Where there or joint registered holders of any one of such person as if he was solely entitled thereto, and if more than one of such joint holders be present at any meeting either personally or by proxy that one of the said person so present whose name stand first in the Register in respect of such shares, shall alone be entitled to vote in respect thereof. Where there or several executors or administrators of a deceased member in whose sole name any shares stood any one of such executors or administrators may vote in respect of such share unless any other of such executors or administrators is present at the meeting at which such a vote is tendered and objected to. Vote by Joint holder.
102. Any person entitled under article 70 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 at least forty-eight hours before the time of holding the meeting, or adjourned meeting, as the case may be, at which the propose to vote, he shall satisfy the Directors of the 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 all lunatic and idiot or non-compose minutes, he may vote whether on as show of hands or at poll by his committee, curator bones or other legal curator and such last mentioned persons may give their votes by proxy or on a poll. Vote in respect of deceased and insolvent members.
103. Any member not present in person shall not be entitled to vote on a show of hands, unless such member is a company or corporation present by proxy or by a representative duly authorized under Section 187 of the Act, in which case such proxy or representative may vote on the show of hands as if he were a member of the Company. Voting rights on show of hands.
104. Any member of the company entitled to attend and vote at the meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. Appointment of proxies.
105. The instrument of appointing a proxy shall be in writing, by such appointer or his attorney duly authorized in writing or if such appointer is a corporation, under its common seal or the hand of its attorney. Any person may be appointed as proxy and such person need not be member of the Company. Proxy need not be a member.
106. The instrument appointing proxy and power of attorney if any, under which it is signed or an office copy of notarially certified copy thereof shall be deposited at the office not less than forty eight hours before the meeting at which the person named in such instrument purports to vote in Proxies to be deposited at the Office.

respect thereof but no instrument appointing proxy shall be valid, after the expiration of twelve months from the date of execution.

107. Vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the shares in respect of which the vote is given, provide no intimation in writing of death, revocation or transfer 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 thinks 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.
108. Every instrument of proxy, whether for a Specified meeting or otherwise shall, as nearly as circumstances will admit be in the form as contain in Schedule IX to the Act. Form of Proxy.
109. No member shall be entitled to exercise any voting right proxy at any meeting of the Company in respect of any shares, registered in his name, on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercise right of lien. Restriction as voting.
110. No objection shall be raised as to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting who shall forthwith decide the same and such decision shall be final and conclusive. Objection as qualification of voters.

#### **DIRECTORS**

111. Until otherwise determined in General Meeting of Company and subject to the Provisions of Section 252 of Act, number of Directors of the Company shall not be less than three and not more than twelve Including nominees of financial institutions. Number of Director,
112. The first Directors of the Company are : First Directors.  
1. SHRI MAHENDRA TURAKHIA  
2. SHRI KISHORE TURAKHIA
113. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company to the industrial Development Bank of India (IDBI), Small industries Development Bank Of India (SIDBI), State Bank of India industrial Finance Corporation of India Ltd, (IFCI), the Industrial Credit and Investment Corporation of India Ltd.(|CICI), the Industrial Reconstruction Bank of India (IRBI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Company Ltd. (NIC), The Oriental Insurance Company Ltd. (IC), New India Assurance Company Ltd. (NIA) United India Assurance Company Ltd. (UIA) or a State Financial Corporation or any financial institution owned or controlled by the central Government or a State Government or both or Reserve Bank of India (RBI) or by two or more of them or by Central Government of State Government by themselves (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 or underwriting or by private placement, or so long as any liability of the company arising out of any guarantee furnished by the corporation remains outstanding, the corporation shall have a right to appoint from time to time, any person or persons as a Nominee Directors

Director or Directors, whole time or non-whole time (which Director/s is/are herein referred to as Nominee Director/s) on the Board of the Company and to remove from such office any person/s in his of their lace/s. The Board of Directors shall have no power to remove the Nominee Director upon/s of the Company from the office. Also at the option of the corporation, such Nominee Director/s shall not be liable to retire 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 obligations as of any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as the money 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 underwriting or by 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 on the moneys owing by the company to the corporation are paid off or on the corporation ceasing to hold debentures/shares in the company or on the satisfaction of the liability of the company arising out of the guarantee furnished by the corporation. Nominee Director/ s appointed under this Article shall be entitled to receive all notices of and attend all general meetings, board meetings and of the meetings of the Committee of which the Nominee Directors/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 Directors of the Company are entitled, but if any other fees, commission, moneys and remuneration in any form is payable to Directors of the Company, the fees, commission moneys and remuneration in relation to such Nominee Director/s shall accrue to the corporation and the same shall accordingly be paid by the Company directly to the corporation. Any expenses that may be incurred by the corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed directly to the corporation by the Company 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 the 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 moneys as may be approved by the Corporation.

114. Not less than two-third of the total number of Directors of the Company shall :
- a. Be persons whose period of office is liable to be determine by retirement of Directors by rotation; and
  - b. Save as otherwise expressly provided in the Act, and these articles, be appointed by the Company in General Meeting.
115. At each Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from the office neither the Managing Director, whole Time Director nor an additional Director appointed by the Board under Article 118 hereof shall be liable to retire by rotation within the meaning of this Article.

Appointment of Directors of the Company and proportion of those who are to retire by rotation.

Rotation and retirement of Director

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|------|---|--|
| 116. | The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those to retire shall, in default of and subject to any agreement among themselves, be determined by lot.  | Which Director retires.  |
| 117. | The company in the General Meeting, may subject to the provision of the Article 111 and section 258 of the Act by ordinary resolution, increase or reduce the number of its Directors.  | Increase or reduction in number of Directors   |
| 118. | The Director shall have powers at any time and from time to time appoint any other person as a Director either to fill up a casual vacancy or as addition to the Board but so that the total num of directors shall not at any time exceed the maximum number fixed by the Articles. Any Director so appointed shall hold office only up to the date of the next following Annual General meeting of the Company but shall be eligible for re-election at such meeting.   | Power to appoint Additional Director   |
| 119. | Subject to the provision of section 313 of the Act, or any statutory modifications thereof, the Board of Directors shall have powers to appoint a person as Alternate Director during the absence of a Director for a period not less than three months in the State in which meetings so the Board are ordinarily held.  | Alternate Directors  |
| 120. | A Director need not hold any share of the Company in his name as qualification share.   | Director need not hold any qualification share.  |
| 121. | Each Director shall be entitled to receive out of the funds of the company for his services in attending to the Meeting of the Board or a Committee of the Board such an amount, as may be fixed by the Directors but not exceeding such a sum, as may be prescribe by the Act, or the Central Government time to time.   | Remuneration to Directors.   |
| 122. | In addition to the remuneration payable to the Director under Article 121 hereof, the Directors may be paid all travelling, hotel and other expenses in attending and returning from the meetings of the Board of Directors of any Committee thereof or general meetings of the company or in connection with the business of the Company.  | Expenses of Directors.   |
| 123. | Subject to section 314, 269, 309 and 198 of the Act, if any Director, being willing, is called upon to perform extra service or to make special exertion in going or residing outside the office for any of the purposes of the Company or in giving special attention make extra efforts too / for the business and affairs of the Company, the Board may remunerate such Director either by fixed sum or by a percentage of profit or by both or otherwise and such remuneration may be either in addition to or substitution for any remuneration which he may be ordinarily entitled. | Extra Remuneration to Directors.   |
| 124. | The continuing Director may act notwithstanding any vacancy in Board; but, if an so long as their number is reduced below the quorum fixed by these presents for a meeting of the Board, the continuing Director or Directors may act for the purposes of increasing the number of Directors to that fixed for the quorum, or of summoning of general meeting of the Company, but for no other purposes.  | Director may act notwithstanding Vacancy.  |
| 125. | The office of a Director shall ipso facto become vacant if any time he commits any of the acts set out in section 283 of the Act.   | Vacation of office of Director.  |
| 126. | Subject to the provisions of section 314 and 314(1-B) of the Act, no Director or his relative etc. Specified therein shall hold any office or place of profit under the Company or its subsidiary.  | Director etc. not to hold office or place of profit under the company or its subsidiaries. |

127. A Director of the Company may be or become a Director of any Company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or Member of such company. Directors may be Directors of Companies prompted by the Company.
128. Subject to the provisions of section 297 of the Act, a Director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise, of goods, material or services or form underwriting the subscription of shares or debentures of the Company nor shall any such contract with a relative of such director, or a firm in which director or relative is a partner or with any other partner in such firm or with a private company of which such director is a member or director, be void, nor shall any director so contracting or being such members so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such director holding office or of the fiduciary relation thereby established. Conditions under which Directors may contract with the Company.
129. Every Director, who is in any way, whether directly, or indirectly concerned or interested in contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose nature of his concern or interest at a meeting of the Board as required by section 299 of the Act. Disclosure of Directors Interest.
130. No Director, shall as a director, take any part in the discussion of, or vote any contract or arrangement entered into or to be entered into by or on behalf of the Company if he is any way, Whether directly or indirectly concerned or interested in the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote, This prohibition shall not apply to :
- a. Any contract or indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company; or
  - b. Any contract or arrangement entered into or be entered into by the Company with a public company or with a private company which is a subsidiary of a public company, in which the interest of the Director aforesaid consists solely in his being a Director of such company and the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company or in his being a member holding not more than two per cent of the paid up share Capital of such Company.. Discussion and voting by isinterested Directors.
131. Save as is permitted by section 263 of the Act, every resolution of the General Meeting for the appointment of a Director shall relate to one named individual only. Appointment of Directors to be voted individually.
132. At an Annual General Meeting at which a Director retires by rotation, the Company may fill up vacancy by appointing the retiring Director or some other person thereto. If the place of the retiring Director is not so filled and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place. if at the adjourned meetings also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill up the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless: Vacancies to be filled in a Annual General meeting.
- i. At the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost; or
  - ii. The retiring Director has, by a notice in writing addressed to the

Company or the Board, expressed his unwillingness to be so reappointed; or

- iii. He is not qualified or is disqualified for appointment; or
  - iv. Resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the Act; or
  - v. The provision to sub-section (2) of section 263 of the Act is application to the case.
133. The company may, subject to the provisions of section 284 of the Act, by ordinary resolution of which special notice according to section 190 of the Act has been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his stead, A Director so appointed shall hold office until the date up to which his predecessor would have hold office if he had not been so removed. If the Vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy under the provisions of the Article 134. Power to remove Directors.
134. If the office of any Director appointed by the Company in General Meeting is vacated before his terms of office expires, in the normal course the resulting vacancy may be filled by the Board at a meeting of the Board, but any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been so vacated. Board may fill Casual Vacancies.
135. No person not being a retiring Director shall be eligible for appointment to the office of the Director at any General Meeting unless he or some member intending to propose him, has not less than fourteen days before the meeting, left at the office of the Company, a notice in writing under his hand signifying his candidature for the office of the Director or the intention of such member to propose him as a candidate for that office along with such deposit as may be prescribed under the Act from time to time, as the case may be. The Company shall inform its members of the candidature of a person for the office of the Director or the intention of a member to propose such person, as a candidate for that office, by serving individual notices on the members not less than seven days before the General Meeting. When the Company and Candidate for office of Director must give notice.
- Provided that it shall not be necessary for the Company to serve individual notice upon the members as aforesaid, if the Company advertises such candidature or intention not less than seven days before the General Meeting in at least two news paper circulating in the place where the Office is located, of which one is published in the English language and the other in the regional language of that place.
136. Except as provided in section 295 of the Act the Company shall not make any Loan. or give any guarantee or provide any security in connection with a loan made by any other person to, or to any other person by: Loan to Directors.
- a. Any Director of the Company which is its holding company or any partner or relative of any Director;
  - b. Any firm in which any such Director or relative is a partner;
  - c. Any private company of which any such Director is a Director or Member;
  - d. Any body-corporate at a general meeting of which not less than twenty five percent of the total voting power may be exercised or controlled by such Director, or by two or more such Directors together; or
  - e. Any body corporate, the Board of Directors, Managing Director, or



manager whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any Director or Directors of the company.

### PROCEEDINGS OF BOARD OF DIRECTORS

137. The Directors shall meet together at any place as agreed to by the Directors from time to time, at least once in every three months and at least four such meetings shall be held in a year for the dispatch of business and subject to as aforesaid may adjourn and otherwise regulate their meetings and proceedings as they may think fit. Questions arising at any meeting shall be decided by a majority of votes and in case of any equality of votes the Chairman shall have a second or casting vote. Meetings of Directors.
138. Notice of every meeting of the Board or a Committee thereof shall be given in writing to every Director for the time being at his usual address. Notices.
139. A quorum for the meeting of the Board of Directors shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher. Provided that where at any time the number of interested Directors exceed or is equal to two-third of the total strength, the number of Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time. Quorum.
140. The Chairman, a Director or any officer authorized by the Directors may call a meeting of the Board of Directors. The Chairman may on the requisition of Director, at any time, Summon a meeting of the Board. Director may Summon Meeting.
141. Subject to the provisions of sections 268 and 269 and other applicable provisions of the Power to appoint Act, the Directors may from time to time, appoint any of the Directors to be the Chairman. Chairman of the Board, either for a fixed term or without any limitation as to the period for which he is to hold such office. Power to appoint Chairman.
142. A meeting of the board at which a quorum is present shall be competent to exercise Power of Board all or any of the authorities, powers and discretions by or under the Articles or the Meeting. Act for the time being vested in or exercisable by the Board. Power of Board Meeting.
143. Subject to the provision of section 292 of the Act, the Directors may delegate any of their powers to committee consisting of such member or members of the body as they may think fit and may from time to time revoke such delegation. Any committee so formed shall, in exercise of the powers so delegated confirm to any regulations that may from time to time be imposed upon it by the Directors. The meetings and proceedings of any such committee, consisting of two or more members shall be governed by the provisions hereinafter contained regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under this Clause. Power to appoint committees and to delegate powers.
144. All acts done at any meetings of the Directors or of a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director. When act of Directors or Committees valid.
145. Save as otherwise expressly provided by the Act a resolution shall be as valid and effectual as if it had been passed at a Meeting of the Directors or of the Committee thereof duly called and constituted if it is circulated in draft together with the necessary papers if any, to all the Directors, to Resolution without Board Meeting valid.

all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of Board or Committees the case may be) and to all Directors or members as are then in India or by a majority of such of them, as are entitled to vote on the same.

146. (1) The Board shall in accordance with the provision of section 19 of the Act cause Minutes to be kept of every general Meeting of the Company and every meeting of the Board or of Committee of the Board. Minutes to be kept.

(2) Any such Minutes of any meeting of the Board or of any Committee of the board or of the Company in General Meeting, if kept in accordance with the provisions of section 193 of the Act, shall be the evidence of the matters stated in such Minutes. The Minute Books of the General Meetings of the Company shall be kept at the Office and shall be open to inspection by members during the hours of 14 a.m. to 1 p.m. on such business days as the Act requires them to be open for inspection,

### **POWER OF THE BOARD**

147. Subject to the provisions of the Act, control of the Company shall be vested in the Board, who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company or by these Articles or otherwise, to be exercised or done by the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting, Provided further, that in exercising any Such power or doing any such act or thing, the Board shall be subjected to the provisions in that behalf contained in the Act or any other statute, or in the Memorandum of Association of the Company or in these Articles, or in any regulations made by the Company in General Meeting shall invalidate any prior Act of the Board which would have been valid if that regulation has not been made. General powers of the Company vested in the Board.

148. The Company may exercise the powers conferred on it by sections 157 and 158 with regard to keeping of a Foreign Register; and the Board may (Subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such Register. Power to keep Foreign Register.

149. The Directors may at any time pay or agree to pay commission to any person in consideration of his subscribing, underwriting or agreeing to subscribe or underwrite (whether absolutely or conditionally) any shares in the capital or debentures of the Company, but so that if the commission shall be paid or be payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the commission shall not exceed five percent of the issue price of the shares or two and a half per cent of the issue price of the debentures. Directors may pay commission.

150. All cheques, promissory notes, drafts hundies, bills of exchange and other negotiable instruments, and all receipts for the moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such persons as may be deemed fit. Drawing etc. of negotiable and other instruments.

151. Without prejudice to the general powers conferred by the last preceding Articles, and other powers conferred by these presents but, subject, however, to sections 292,293, 294 295, 297 and 314 of the Act, it is hereby expressly declared that the Specific powers given to the Directors.

Directors shall have the following powers, that is:

- (1) To pay the costs, charges preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) To pay for any properties, rights or privileges acquired by or services rendered to the company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the properties of the Company and its Uncalled Capital if not so charged.
- (3) To purchase or otherwise acquire for the Company any properties, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as they think fit.
- (4) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company or in such other manner as they may think fit.
- (5) To appoint and their discretion remove or suspend such managers, secretaries, experts and other officers, clerks, agents, and servants for permanent, temporary Or special services as they may from time to time think fit and determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit.
- (6) To appoint any person (whether incorporated or not) to accept, and to hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to it any such trust and to provide for the remuneration of such trustee or trustees.
- (7) To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment in Satisfaction of any debts dues and of any claims or demands by or against the Company and act on behalf of the company in all matters to bankrupts insolvents and apply and obtain Letters of Administration with or without will be annexed to the estate of person with whom the Company shall have dealings, provided that the Board of Directors shall not except with the consent of the General meeting remit or give time for the repayment of any debt due by a Director.
- (8) To refer o any claims or demands by or against the Company or to enter into any contract or agreement for reference to arbitration and to observe, enforce perform compound or challenge such awards and to take proceedings for the reversal of the same.
- (9) To make and give receipts, releases and other discharge for money payable to the Company and for the claims and demands of the Company.
- (10) To act as trustees in composition of the Company's debtors.
- (11) To make, vary and repeal by-laws for regulation of business of the Company and the duties of office and employees.

- (12) Subject to the provisions of the Act and in particular subject to section 309 and 310 of the Act, to give a Director or any officer or any other person whether employed or not by the Company, a commission on the profits of any particular business or transaction of a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the company.
- (13) At any time and from time to time, by power of attorney under the Seal of the | company, to appoint any person or persons to be the attorney of the Company in India or abroad for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under \_ these presents) and for such period and subject to such conditions as the Directors may from time to time think fit; and any such appointment may be made in favor of any company; or the members, directors, nominees or managers of any Company or firm or otherwise in favor of any fluctuating body of persons whether nominated directly or indirectly by the Directors and any such power of attorney may contain such powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
- (14) With the sanction of the Board, to execute in the name and on behalf of the Company, in favor of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (Present and future) as they think fit, and any such mortgage may contain a power of sale and any such powers, convenient and provisions as shall be agreed upon or other agreements as may be thought fit.
- (15) In conformity with sections 293(1)(c) and 372 of the Act to invest and deal with any of the moneys of the Company in such manner as they may think fit and from time to time to vary or realize such investments.
- (16) To enter into all such negotiations and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.
- (17) To act jointly or severally in all or any of the powers conferred on them.
- (18) To comply with the requirements of the Act or any other local law which in their opinion shall, in the interests of the Company be necessary or expedient to comply with.
- (19) To sub-delegate all or any of the powers, authorities and discretions for the time being vested in them and in particular, from time to time to provide by the appointment of attorneys for the management and transaction of the affairs of the Company in any specified locality in such manners as they may think fit.
- (20) To provide for the welfare of the employees or ex-employees or Directors or Ex - directors of the Company and the wives, widows and families of the dependents or connections of such person by building or contributing to the building of houses, dwelling or chawls or by grants of moneys, pensions, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions, funds or trusts and by providing or subscribing or contributing

towards places or instructions and recreations, hospitals and dispensaries and all other kinds of medical relief.

- (21) Subject to section 293 (1) (e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable; benevolent, religious, national social, scientific, literary, educational, medical or other institute the object of which shall have any moral or other claim for support for aid by the Company either by resin of locality or of public and general utility or otherwise.
- (22) To Open and deal with the current accounts, overdraft accounts and any other accounts, with any bank or bank for carrying on any business of the Company.
- (23) Subject to section 293(1)(a) of the Act to sell or dispose of any of the properties of the Company to person in consideration of cash payment in lumps sum or by installments or in return for any other service rendered to the Company.
- (24) To get insured any or all the properties of the Company and the employees and their dependents against any or all risks for which the insurance companies carry any businesses and to sell, assign, surrender or discontinue any policies of assurances.
- (25) To appoint and nominate any person or persons to act as proxy or proxies for the purpose of attending or voting on behalf of the Company at a meeting of any Company.
- (26) Subject to section 294 of the Act to appoint purchasing and selling agent for the purchase and sale of the Company's requirement and products respectively.
- (27) Subject to section 293(1) (e) of the Act to give away in charity moneys received from any sources whatever or from any assets of the Company for any charitable purpose.
- (28) Before declaring any dividend, to set aside such portion of the profits of the Company as they may think fit, to form a fund to provide for the pension, gratuities or compensation or create a provident fund, benefit fund or other fund and in such manner as the Directors may deem fit.
- (29) To realizes, compound and allow time for the payment or satisfaction of any debts due to or by the company and any claims or demand by or against the Company and to refer to any claims or demands by or against the Company to arbitration and observe and perform the awards.
- (30) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its Uncalled Capital and to purchase, redeem or pay off any such securities.

#### **LOCAL MANAGEMENT**

152. The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality whether at home or abroad by appointing local boards and agencies and fix their remuneration in such manner as they think fit. However, this will be without prejudice to the general powers conferred by this Article but subject to the provisions of the section 292 to 297 of the Act. Local Management
153. The Directors may authorize the members for the time being of any such Local Board Delegation

Local Boards or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and conditions as the Directors may think fit and the Directors may at any time remove any person any person so appointed.

#### **MANAGING / WHOLE-TIME DIRECTORS**

154. The Company by Ordinary Resolution or the Directors may, subject to the provisions of section 268 and 269 of the Act, from time to time appoint one or more of the Directors to be managing Director or managing Directors or other whole time Directors of the Company for a terms not exceeding five years at a time and may from time to time subject to the provision of the Act, remove or dismiss him or them from the office and appoint another or other in his or their places. Appointment of Managing/ Whole Time Directors.
155. A managing or whole-time Director shall not, while he continues to hold that office be subject to retirement by rotation, and he shall not be reckoned as a director for the purpose of determining the rotation of retirement of Director or in Fixing the number of Directors to retire, but subject to the provisions of any contract between him and the Company, he shall be subjected to the provisions as to resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately, cease to be a Managing Director or whole-time Director if he cease to hold the Office of Director from any cause. What provision he will be subject to.
156. In addition to the usual remuneration of an ordinary Director, the remuneration of the managing Director and of Whole-time Director shall be subject to the provision of the Act and may be by way of fixed salary and perquisites or at a specified percentage of the net profits of the Company or both as provided in the act, from time to time. Remuneration.
157. The Directors may subject to the provisions of section 291 to 297 of the Act, from time to time entrust to and confer upon a Managing Director or whole-time Director for the time being such of the powers exercisable under these present by the Directors as they may think fit and may subject to the Superintendence, control and direction of the Board confer such power for such time and to be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers, either collaterally with or the exclusion or and substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. Powers and Duties.
158. The Company shall not appoint or employ or continue the appointment or employment of any person as its managing or whole-time director who: Certain person not to be appointed as Managing/ Whole Time Directors.
- (a) Is an un-discharged insolvent or has at any time been adjudged an insolvent;
  - (b) Suspends, or has at any time suspended, a payment to his Creditors or makes or has at any time made composition with them; or
  - (c) Is or his at any time been convicted by a court of an offense involving moral turpitude.

#### **MANAGER**

159. Subject to the provisions of the Act :

Director may be appointed as Manager and acting in dual capacity.

- (1) The board of Directors shall have power to appoint or employ any person to be the Manager of the Company upon such terms and conditions as the Board thinks fit, and the board may subject to the provision of section 292 of the Act, vest in such manager such of the powers vested in the Board generally as it thinks fit and such powers may be made exercisable such period or periods, and upon such conditions and subject to such restrictions as it may determined and at such remuneration as it may think fit .
- (2) A Director may be appointed manager; a provision of the Act or these Articles required Director may be or authorizing a thing to be done by or to a Director and the manager shall not be satisfied by its being done by or to the same person acting both as a Director and as or in place of the.

#### **SECRETARY**

160. (1) Subject to Section 383-A of the Act, board may from time to time appoint a person (hereinafter called the 'Secretary) to perform any functions which by the act or the Articles for the time being of the Company are to be performed by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board, and at such remuneration as it may think fit. The Board may at its desecration remove such person and may also at anytime appoint another person (who need not be the Secretary) to keep Registers required to be kept by the Company.
- (2) Subject to the provisions of the Act, a Director may be appointed as Secretary, a provision of the Act or these Articles requiring or authorizing a thing be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

Secretary.

#### **THE SEAL**

161. (a) The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a New Seal in lieu thereof and the Director shall provide for the safe custody of the Seal for the time being.
- (b) The Seal shall not be affixed to any instrument, or Deed, unless executed by a duly constituted attorney, except in the presence of two directors or one director and Secretary or any other person duly authorized by the Board who shall sign every instrument to which Seal shall be affixed, provided, nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.
- (c) The Directors may provide for use in any territory outside India an Official Seal Subject to the provisions of section 50 of the Act.

Directors to provide the seal and its custody.

Use of Seal.

Official seal for use outside India

#### **ANNUAL RETURNS**

162. The Company shall comply with the provision of sections 159 and 161 of the Act as to make and filling of Annual Returns.

Annual Returns.

#### **RESERVES**

163. The Board may from time to time before recommending any dividend set apart any such portions of the profit of the Company as it think fit as reserves to meet contingencies or for liquidation of any debentures, debts or any other liabilities of the Company for equalization of dividend for repairing, improving, or maintaining any of the properties of the

Reserves.

Company and for such other purpose of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may, subject to the provisions of Section 372 of the Act, invest the several sums So set aside in such investments (other than shares of the Company) as may think fit, and may from time to time deal with and vary such investments dispose of all or any part thereof for the benefit of the Company, and may divide the reserves in to such special funds as it think fit, with full power to employ the reserves or any part thereof in the business off the Company, and that without being bound to keep the same separated from the other assets.

164. All money carried to reserve shall nevertheless remain and be profits of the Company applicable, Subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other moneys of the Company not immediately required for the purposes of the Company, subject to the provisions of sections 370 and 372 of the Act, be invested by the board in or upon such investments of securities as it may select or may be used as working Capital or be kept at any bank or deposit or otherwise as the board may from time to time think proper.

Investment of Reserve of the Company.

### **CAPITALIZATION OF PROFIT**

165. 1) The Company in General Meeting may, upon the recommendation of the Board resolve :
- a. That it is desirable to capitalize any part of the amount for the time being Standing to the credit of any of the Company's Reserve Accounts or to the credit of the Profit and Loss Account, or to the credit of share Premium Account or otherwise available for distribution, and
  - b. That such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who could have been entitled thereto if distributed by way of dividend and in the same proportion.
- 2) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:
- i. Paying up any amount for the time being unpaid on any shares held by such member respectively;
  - ii. Paying in full, unissued shares of the Company to be allotted, an distributed credited as fully paid bonus Shares to and amongst such members in the proportion aforesaid; or
  - iii. Partly in the way specified in sub-clause (i) and partly in, that specified in sub-clause. (ii)
- 3) Share premium Account and Capital redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up to the unissued shares to be issued to members of the Company as fully paid Bonus Shares.
- 4) The board shall give effect to their resolution passed by Company in pursuance of this regulation.

Capitalization of Reserves.

166. A General Meeting may resolve that any surplus moneys arising from the realization of the capital assets of the Company or any investments represent the same, or any other undistributed profit of the Company, not subject to charge for income tax, be distributed among the members on the footing that they reserve the same as capital.

Surplus Money.

167. For the purpose of giving effect to any resolution under the two last preceding Articles, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may

Fractional certificates.



issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where requisite, a proper contract shall be filled in accordance with section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

### **INTEREST OUT OF CAITAL**

168. Where any shares are issued for the purposes of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as for the time being paid up, for the period, at the rate and subject to the conditions and the restrictions imposed by section 208 of the Act and may charge the sum so paid by way of interest to Capital as part of the cost construction of the work or 'building or the provision of plant. Interest out of Capital.

### **DIVIDENDS**

169. Subject to rights of members entitled to shares (if any) with preferential or special rights attached thereto, the profits of the Company which shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of dividend on the Equity Shares of the Company but so that partly paid up shares only entitle the members in respect thereof to such proportion of the distribution upon a fully paid up shares as the amount paid thereon bears to the nominal amount on such share and so that the Share Capital is paid up in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to dividend or to participate in profits. How profit shall be divisible.
170. The Company in General Meeting may declare a dividend to be paid to members according to their rights and interests in the profits and may, subject, to the provision section 207 of the Act, fix the time for payment. Declaration of Dividends.
171. No larger dividend shall be declared than is recommended by the board, but the Company in General Meeting may declare a smaller dividend. Amount of Dividend.
172. Subject to the provisions of section 205 of the Act, no dividend shall be payable except out of profit of the Company or out of money provided by the Central or State Government for the payment of dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company. Dividends out of profits only.
173. The declaration of the Board as to the amount of net profits of the Company shall be conclusive. What's to be deemed to be net profit.
174. The Directors, if in their opinion the position of the Company justified, may from time to time without the sanction of a General Meeting pay interim dividend to one or more classes of shares to the exclusion of the others at rates which may be differing from class to class and when declaring such dividend, they should satisfy themselves that the Preference shares which have prior claim in respect of payment of dividend shall have their entire rates dividend at the time of final preparation of the accounts for the period. Interim Dividend.
175. The board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on Debts to be deducted.

account of calls or otherwise in relation to the shares of the Company.

176. 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 may if so arranged between the company and the member, be set off against the call. Dividend and call together.
177. No dividend shall be payable except in cash provided that nothing in the foregoing shall be deemed to prohibit the capitalization of profits or reserve of Company for the purpose of issuing fully paid up Bonus Shares or paying up any amount for the time being unpaid on the shares held by the members of the Company. Dividend in cash.
178. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer by the Company. Effect of transfer.
179. The Directors may retain the dividends payable upon shares in respect of which any person is under "Transmission Article" of these Article, entitled to become a member or to which any person under that Article is entitled to transfer, until such person becomes a member in respect of such shares or duly transfers the same. Power to retrain dividend until transmission is affected.
180. Any one of several person who are members registered jointly in respect of any share may give effectual receipt for all dividends, bonuses and other payments in respect of such shares. Joint holders.
181. Unless otherwise directed in accordance with section 206 of the Act, any dividend, interest for other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the first named in the Register in respect of joint holders or to such person and at such address as the member or members as the case may be, direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. Payment by post.
182. No unpaid or unclaimed dividend shall be forfeited by the company and any dividend which remains unpaid or unclaimed after having been declared shall be dealt with as per the provision of Section 205 A and 205 B of the Act. Unclaimed Dividend.

### **BOOKS AND DOCUMENTS**

183. The Directors shall at the Registered Office of the Company or subject to the provision of section 209 of the Act, at such other place as the Directors may think fit, keep proper books of account with respect to : Books of account to be kept.
- a. All sums of moneys received and expended by the Company and the matters in respect of which the receipt and expenditures take place;
  - b. All sales and purchases of goods by the Company;
  - c. The assets and liabilities of the Company.
- The books to be kept shall be such as are necessary to give a true and fair view of the state of the Company's affair and to explain its transactions. All such books shall be open to inspection of the Directors during business hours.
184. The Director shall from time to time, subject to the provisions of sections 163,196 and 249 of the Act, determine whether and to what extent, and at what time and place and Under what conditions, the account and books of the Company, or any of them shall be open to the inspection, of members; and no member shall have any right of inspection of any account or book or document of the Company except as conferred by Law or by Act or authorized by the Directors, or by resolution of the Company in General Meeting and no member, not being a director, shall Inspection by Members.

be entitled to require or receive any information concerning the business, trading or customers of the Company, or any trade secret or secret process of or used by the Company.

185. The books of account of the Company shall be preserved in good order, as required under the Act. Books of Accounts to be preserved.

#### **ACCOUNTS AND BALANCE SHEET**

186. At every Annual General Meeting, the directors shall lay before the Company a Balance Sheet and Profit and Loss Account and Report as required under section 210,211,212,216 and 217. Balance Sheet and Profit and Loss Account
187. Every such Balance Sheet and the Profit and Loss Account shall be accompanied by a report of the Directors as to the State of the company's affairs and as to the amount (if any) which they recommend to be paid out of the profits by way of dividends to the members, and as to the amount which the Company proposes to carry to a any reserves and the Profit and Loss Account and Balance Sheet shall be signed by at least two Directors one of whom shall be a Managing Directors, where there is one of, if there be only one Director for the time being in India, by such one Director and in either case the account and Balance Sheet shall be signed by the secretary, if any. Report of Directors.
188. A copy of every Balance Sheet (including every document required by law to be annexed or attached thereto) which is to be laid before the Company in Annual General Meeting together with a copy of the Auditors, Report or a statement containing salient feature of such documents in prescribed form, as laid down under Section 219 of the Companies Act 1956, as the company may deem fit shall, not less than twenty-one days before the date of the Meeting, be sent to every person entitled thereto pursuant to the provisions of Section 219 of the Companies Act, 1956 Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint-holders of shares. Copies to be sent to members etc.
189. The company shall comply with section 220 of the Act as to filling copies of the Balance Sheet and Profit and Loss Account and documents required to be annexed or attached thereto with the Registrar. Copies of Balance Sheet etc. to be filed.

#### **AUDITORS**

190. Auditors shall be appointed and their rights and duties regulated in accordance with provisions of section 224 to 233 of the Act. Auditors

#### **SERVICE AND NOTICE OF DOCUMENTS**

191. 1) A notice or document may be served by the Company on any member either personally or by sending it by post to him or to his registered address, or if he has no registered address in India to the address, if any within India supplied by him to the Company for giving notice to him. Service of Document and notice to members.
- 2) Where notice or document is sent by post :
- (a) Service thereof shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice or the documents provided that where a member has intimated to the Company in advance that notice and documents should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the notice or the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and Service by Post.

- (b) Unless the contrary is proved, such service shall be deemed to have been affected:
- i. In the case of notice of a meeting, at the expiration of forty eight hours after the latter containing the same is posted.
  - ii. In any other case, at the time at which the letter would be delivered in the ordinary course of post.
192. A notice or other document advertised in newspapers circulating in the neighborhood of the Registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every members of the Company who has no registered address in India and has not supplied to the Company an address within India for giving of notice to him. Notice to members who have not supplied address.
193. A Notice or other document may served by the Company on the joint holders of shares by serving it on the joint holder named first in the registered in respect of the same. Notice to Joint Holders.
194. A notice or other document may served by the Company on the persons entitled to a share in consequence of death or insolvency of a member, sending it through the post in a prepaid letter, addressed to them by name or by the title or representatives of the deceased or assignees of the insolvent, or by any like description, at the address if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by serving the documents in any manner in which it might have been served if the death or insolvency had not occurred. Notice to person entitled by transmission.
195. The accidental omission to give notice to or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceeding at the meeting. Accidental omission not to invalidate.
196. Every notice shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Mode of Notice.
197. Every person who by operation of Law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such shares which previously to his name and address being entered in the Register shall be duly given to the person from whom he derives his title to such shares. Transferees etc. bound by prior notice.
198. The signature to any notice or document to be given by the Company may be written, prior lithographed. Mode of Signature.
199. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by advertisement. When notice may be given by advertisement.
200. Any Notice required to or which may be given by advertisement shall be advertised once in one or more newspaper circulation in the neighborhood of the office. How to be advertised.
201. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear. When notice by advertisement deemed to be served.
202. Subject to the provisions of Article 204, any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member be then deceased and whether or not the Company have notice of his death, be deemed to have been duly served in respect of any registered share, whether held solely or jointly with other persons by Notice valid though member deceased.

such member until some other person by registered in his stead as the holder or joint holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his heirs, executors, or administrators and all persons, if any, jointly interested with him in any such share.

203. Subject to the provisions of section 497 and 509 of the Act, in the event of a winding up of the Company, every member of the Company who is not for the time being in the place where the office of Company is situated, shall be bound, within eight weeks after the passing of an effective resolution to wind up the Company Voluntarily or the making of an order for the winding up of the Company to serve notice in writing on the Company appointing some house holder residing in the neighborhood of the Office open whom all summonses notice , process orders and judgment in relation to or under the winding up of the Company may be served and in default of such nomination, the Liquidator of the Company shall be at liberty on behalf of such member, to appoint some such person and service upon any such appointee whether appointed by the member or the Liquidator shall be deemed to be good personal service on such member for all purposes, and where the Liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such member by advertisement in some daily newspaper circulation in the neighborhood of the office or by a registered letter sent by post and addressed to such member at his address as registered letter sent by post and addressed to such member at his address as registered in the Register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the ordinary course of the post. The provisions of this Article shall not prejudice the right of the Liquidator of the Company to serve any notice or other document in any other manner prescribed by these articles.
- Service of process in winding up.

#### **KEEPING OF REGISTERS AND INSPECTION**

204. The Company shall, duly keep and maintain at the office, in accordance with the requirement of the Act in that behalf the Registers in accordance with Sections 49 (7), 58-A, 143, 150,151,152,301,303,307,356 to 360, 370 and 372 of the Act and Rule 7(2) of the Companies (issue of share Certificates) Rule, 1960.
- Registers etc. to be maintain by the Company.
205. The Company shall comply with the provision of the Act as to the supplying of copies of the Registers, deeds, documents, instruments, returns, certificates and books therein mentioned to the persons therein specified when so required by such person, on payment of the charges if any prescribed by the provision of the Act.
- Supply of copies of Registers
206. Where under any provision of the Act any person whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument of document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during the hours of 11 AM to 1 PM on such business days as the Act requires them to be open for inspection.
- Inspection of Registers.
207. The Company may after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district of the office, close the Register of Members, or the Register of debenture holders as the case may be for any period or periods not exceeding thirty days at one time and not exceeding forty five days in the aggregate in any year.
- Closure of Register of Members of Debenture Holders

#### **WINGING UP**

208. Subject to the provisions of the Act, if the Company shall be would up
- Distribution of assets.

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

209. Subject to the provisions of the Act :

Distribution in specie or kind.

(1) If the Company shall be wound up whether voluntarily or otherwise, the Liquidator may with the sanction of a Special Resolution, divide amongst 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 Liquidator, with the like sanction, shall think fit.

(2) If thought expedient, any such division may subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (Subject to the provision of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance, with the legal rights of the contributories shall be determined on any Contributory who would be prejudiced thereby shall have the right, if any to dissent if such right be given by the Act.

(3) In case any shares to be divided as aforesaid involves a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing the resolution, by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable, act accordingly.

210. Subject to the provisions of the Act, Special Resolution sanctioning a sale to any other Company duly passed, may, in like manner as aforesaid, determine that any shares or other considerations receivable by the Liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent, if any, if such right be given by the Act.

Right of Share holders in case of sale.

### SECRECY

211. Every Director, Manger, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other persons, employed in the business of the Company shall observe a strict secrecy respecting all transactions of the Company with customers and the state of accounts with individual and in the matter relating thereto, and shall not reveal any of the matters, which may come to his knowledge in the discharge of his Duties, except when required so to do by the Directors or by the meeting or by a court of law or by the person to whom matters

Secrecy.

relate and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

212. No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Director, except where entitled under the provisions of the Act, these Articles, to require discovery of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature a trade secret, mystery of trade, or secret processor of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.
- No member to enter the premises of the Company without permission.

### RECONSTRUCTION

213. On any sale of the undertaking of the Company, the Board or the Liquidator 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 or purchase in the whole or in the part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidator (in a winding up) may distribute such shares, securities or any other property of the Company amongst the members without realization or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of cash, shares or the other securities, benefits or properties otherwise than in accordance with the strict legal rights of the members, contributories of the Company, and for the valuation of any such securities or properties at such price and in such manner as the meeting may approve and all holders of share shall subject to the provisions of section 395 of the Act, be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in course of being wound up and subject to the provision of section 494 of the Act as are in capable of being varied or excluded by these Articles.
- Reconstruction in a winding up.

### INDEMNITY

214. (a) Every Director, Manager, Secretary or officer of the Company or any person appointed by the Company as Auditor shall be indemnified out of the asset of the Company against all liabilities incurred by him as such Director, Manager, Secretary of officer or Auditor in defending any proceedings, whether civil or criminal in which judgment is given in his favor or in which he is acquitted, or in connection with any application under section 633 of the Act in which relief is granted to him by the Court.
- (b) Save and except so far as the provision of this Article shall, be avoided by section 201 of the Act, the Board of Directors, Managers, Auditors, Secretary and other Officers of servants for the time being of the Company and Trustees (if any) for the time being acting in relation to any of the affairs of the Company, and everyone of them and every one of their executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions costs, charges, losses, damages, and expenses which they or any of them, their executors or administrators shall sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through or by their own willful neglect or default respectively, and none of them shall be answerable
- Indemnity Clause.

for the acts, receipts, neglects or defaults of the or others of them or for joining in any receipt or the sake of conformity or for any bankers or other persons with whom any moneys or effects belonging to the Company shall be placed or invested or for any other loss, misfortune or damages which may happen in the execution of their respective offices of trusts or in relation thereto unless the same shall happen by or through their own willful neglect or default respectively.

**ARBITRATION**

215. Whenever, any difference shall arise between the Company on the hand, and any of the members, their executors, administrators or assignees, on the other hand touching the true intent or consideration or the incidents or consequences of these presents or of the statutes or enactments of the Legislature, or touching anything then or thereafter done, executed, omitted suffered in pursuance of these presents, or of the statutes or enactments or touching any breach or otherwise relating to these presents, or any claim on account of any such breach or alleged breach or otherwise relating to these presents every such difference shall be referred to the Arbitration of two arbitrators, one to be appointed by each party or in the event of the disagreement of the arbitrators, of an umpire appointed by them (i.e. the arbitrators) before entering on the reference of failing such agreement by the Court, or to the Arbitrators of a single arbitrator if the parties to the difference agree to such reference. The Arbitration Act, 1940 shall apply to such arbitration proceedings.

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

Sr. No.	Names Addresses, Descriptions and Occupation of Subscribers	No. of Equity Shares take (in words and figures)	Signature of Subscribers	Signature, Name Addresses, Description and occupation of witnesses
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1.	<p><b>Mahendra Turakhia</b>  <b>S/o Abhaychand Turakhia</b>  <b>166, Ranipura Main Road,</b>  <b>Indore. (M.P.)</b></p> <p><b>Business</b></p>	<p><b>10</b>  <b>(TEN)</b></p>	<p><b>sd/-</b></p>	
2.	<p><b>Kishore Turakhia</b>  <b>S/o Abhaychand Turakhia</b>  <b>166, Ranipura Main Road,</b>  <b>Indore. (M.P.)</b></p> <p><b>Business</b></p>	<p><b>10</b>  <b>(TEN)</b></p>	<p><b>sd/-</b></p>	<p>Sd/-  S.K. Dhoka  C/o M/s S.K. Dhoka &amp;Co.  Chartered Accountants  91, Jawahar Marg,  INDORE (M.P.)</p>

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**(TWENTY)**