



BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

143, PUDUPAKKAM VILLAGE, VANDALUR-KELAMBAKKAM ROAD,
KELAMBAKKAM - 603 103 KANCHIPURAM DISTRICT, TAMIL NADU

NOTICE

Notice is hereby given that an Extraordinary General Meeting of the members of Butterfly Gandhimathi Appliances Limited (the "Company") will be held on Monday, the 16th day of April, 2012, at the registered office of the Company at 143, Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakkam - 603 103, Kanchipuram District, Tamil Nadu at 11:00 am to transact the following business and to consider the following matters and if thought fit, to pass the following resolutions:

1. PREFERENTIAL ISSUE OF EQUITY SHARES OF THE COMPANY

To consider and if thought fit, to pass, with or without modification, the following resolutions as special resolutions:

RESOLVED THAT pursuant to and in accordance with of the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended up to date (the "SEBI (ICDR) Regulations"), the Articles of Association of the Company, the equity listing agreements entered into between the Company and the stock exchanges where the shares are listed, the guidelines issued by the SEBI, the Bombay Stock Exchange Limited (the "BSE") and all other exchanges where the Company are members (the "Stock Exchanges") and any other statutory/regulatory authorities, and subject to all such other approvals, permissions, consents and sanctions of any authorities (including the order of the Board for Industrial and Financial Reconstruction dated 17th August 2011 in case number 279/98 with respect to the Modified Sanctioned Rehabilitation cum Merger Scheme concerning the merger of Gangadharam Appliances Ltd with the Company), as may be necessary, and all other relevant third party consents and approvals as may be required, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions which may be agreed to by the board of directors (which term shall include any committee thereof), the consent of the members of the Company be and is hereby accorded to the board of directors for offering, issuing and allotting on a preferential basis, an aggregate of 24,51,000 (twenty four lakhs fifty one thousand) equity shares of Rs. 10 (Rupees Ten) each at a premium of Rs 398 (Rupees Three hundred ninety eight) per equity share (such price having been determined in accordance with applicable pricing guidelines) aggregating to an issue price of Rs 408 (Rupees Four hundred eight) per equity share on such terms and conditions, at such time or times, in such manner, form and numbers as may be prescribed while granting approvals, permissions, consents and sanctions by the aforesaid authorities and/or which the board of directors may in its absolute discretion consider proper, desirable and expedient to persons/entities, whether such allottees are shareholders of the Company or not, as mentioned in the table given herein below, and also to seek

(Certified True copy)
For BUTTERFLY GANDHIMATHI APPLIANCES LTD.

Dh. Muthu
Executive Director Cum Company Secretary

listing of such securities on the stock exchanges, as may be deemed appropriate, fit and proper by the board of directors:

Name of Allottee	Number of Equity Shares proposed to be allotted
Reliance Alternative Investments Fund – Private Equity Scheme-I (acting through Reliance Alternative Investments Services Private Limited)	24,51,000
Total	24,51,000

RESOLVED FURTHER THAT:

- (i) the equity shares to be so offered and allotted as aforesaid shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;
- (ii) the equity shares to be so offered and allotted as aforesaid shall be in a dematerialised form;
- (iii) the aforesaid equity shares shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in as provided under the SEBI (ICDR) Regulations, except to the extent and in the manner permitted thereunder;
- (iv) the offer, issue and allotment of the aforesaid equity shares shall be made at such time or times that the board of directors may in their absolute discretion decide, subject to the SEBI (ICDR) Regulations and other applicable laws, and the terms agreed between the board of directors and the proposed allottees of the aforesaid equity shares;
- (v) the aforesaid equity shares shall rank *pari passu* with the existing equity shares of the Company in all respects including as to dividend; and
- (vi) the relevant date for the preferential issue, as per the SEBI (ICDR) Regulations for the determination of applicable price for the issue of the aforesaid equity shares is 17th March 2012.

RESOLVED FURTHER THAT the board of directors be and is hereby authorized to delegate all or any of the powers herein conferred to any director or directors or to any committee or any officer or officers of the Company to give effect to the aforesaid resolutions, including without limitation, making necessary filings with the stock exchanges and other applicable authorities, executing any other agreements, deeds, letters and documents which may be required to be executed, and to comply with all other requirements in this regard.

2. AMENDMENT OF THE ARTICLES OF ASSOCIATION

To consider and if thought fit, to pass, with or without modification, the following resolutions as special resolutions:

RESOLVED THAT in accordance with Section 31 of the Companies Act, 1956, the Articles of Association in form and substance similar to the draft Articles of Association annexed to the notice issued to the members of the Company (and duly initialled by the chairman of the board of directors for the purpose of identification) and placed before this meeting of the members of the Company

be and is hereby adopted in substitution for, and to the exclusion of, all the existing Articles of Association of the Company and the same shall come into force and effect on 16th April 2012.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the board of directors be and is hereby authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution for and on behalf of the Company, including without limitation, making necessary filings with the jurisdictional Registrar of Companies and stock exchanges, and to comply with all other requirements in this regard.

Date: 14th March 2012
Place: Chennai - 600 018

For and on behalf of the board of directors
D Krishnamurthy
Executive Director cum Company Secretary

NOTES:

1. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 (forty eight) hours before the meeting.
3. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company during office hours on all working days, except Saturdays and holidays, between 10:00 am and 5:00 pm, up to the date of the meeting.
4. Members are requested to immediately intimate any change in their address registered with the Company to our Registrars and Share Transfer Agents, M/s GNSA Infotech Ltd., G R Mansion, No 11, Srinivasa Road, Pondy Bazaar, T Nagar, Chennai - 600 017.
5. Members/proxies should bring the attendance slip sent herewith duly filled and signed, and to handover the attendance slip at the entrance of the venue of the meeting.
6. Members are requested to quote their Folio Number in all correspondence with the Company.
7. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those whose hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM 1

The Company proposes to make preferential issue of 24,51,000 (twenty four lakhs fifty one thousand) equity shares of Rs 10 (Rupees Ten) each for cash at a premium of Rs 398 (Rupees Three hundred ninety eight) per equity share aggregating to an issue price of Rs 408 (Rupees Four hundred eight) per equity share. The details of the preferential issue are as set out below:

1. **Relevant date and price at which allotment is proposed:** The relevant date in accordance with the SEBI (ICDR) Regulations for issue of shares on a preferential basis is 17th March 2012. It is proposed that equity shares of Rs 10 (Rupees Ten) each will be issued and allotted for cash at a premium of Rs 398 (Rupees Three hundred ninety eight) per share which is in accordance with applicable SEBI (ICDR) Regulations.
2. **Number of shares and percentage shareholding proposed to be allotted on a preferential basis:** Pursuant to the special resolution passed under Section 81(1A) of the Companies Act, 1956, the Company proposes to issue 24,51,000 (twenty four lakhs fifty one thousand) equity shares of Rs 10 (Rupees Ten) each for cash at a premium of Rs 398 (Rupees Three hundred ninety eight) per equity share constituting 13.709% of the post preferential allotment paid up share capital of the Company.
3. **Objects of the issue:** The proposed preferential issue is being made, *inter alia*: (i) for capital expenditure requirements of the Company; (ii) for working capital requirements of the Company; (iii) for repayment of long term debt of the Company; (iv) to implement certain provisions of the order of the Board for Industrial and Financial Reconstruction dated 17th August 2011 in Case No 279/98 with respect to the Modified Sanctioned Rehabilitation cum Merger Scheme concerning the merger of Gangadharam Appliances Ltd with the Company.
4. **Intention of the Promoters/Directors/Key Management Personnel to subscribe to the offer:** None of the aforesaid persons will be participating in the proposed preferential issue.
5. **Proposed time for completion of allotment:** Subject to obtaining any approvals from regulatory authorities, the equity shares are proposed to be allotted within 15 (fifteen) days of the passing of the special resolution approving the allotment.
6. **Lock-in period:** The shares proposed to be allotted on a preferential issue basis shall be locked-in as per the SEBI (ICDR) Regulations applicable to preferential issues.
7. **Consequential changes in the board of directors:** The proposed preferential allotment shall result in the appointment of a nominee director of the Investor on the board of directors. Such nominee director shall be a non-executive director who shall not be liable to retire by rotation.

8. Identity, number of shares presently held by each allottee, number of shares proposed to be allotted, total number of shares to be held post-preferential allotment and percentage of post preferential equity capital held by each of the allottees:

S. No.	Name of Applicant/ Category	Number of Shares held (Pre-Preferential Allotment) (A)	Number of Equity Shares Proposed to be Allotted (B)	Total Number of Shares Held (Post Preferential Allotment) (A)+(B)	% of Post Preferential Issue Share Capital
A.	Promoter Group				
1.	Promoters and their relatives	50,04,042	Nil	50,04,042	27.99
2.	Bodies Corporate	69,94,065	Nil	69,94,065	39.12
	Total (A)	1,19,98,107	Nil	1,19,98,107	67.11
B.	Public				
1.	Mutual Fund/UTI	2,645	Nil	2,645	0.01
2.	Bodies Corporate	4,12,474	Nil	4,12,474	2.31
3.	Resident Individuals	28,15,902	Nil	28,15,902	15.75
4.	Non-Residential Individuals	1,99,423	Nil	1,99,423	1.11
5.	Reliance Alternative Investments Fund – Private Equity Scheme-I (acting through Reliance Alternative Investments Services Private Limited)	Nil	24,51,000	24,51,000	13.71
	Total (B)	34,30,444	24,51,000	58,81,444	32.89
	Grand Total (A)+(B)	1,54,28,551	24,51,000	1,78,79,551	100.00

9. Consequential changes in the shareholding pattern/voting rights:

S. No.	Category	Pre-Issue Equity Shareholding (as on 14 March 2012)		Post-Issue Equity Shareholding	
		Number	%	Number	%
A.	Promoters	1,19,98,107	77.77	1,19,98,107	67.11
	Total (A)	1,19,98,107	77.77	1,19,98,107	67.11
B.	Mutual Funds/ Foreign Institutional Investors	2,645	0.02	2,645	0.01
	Total (B)	2,645	0.02	2,645	0.01
C.	Public:				
	(a) Allottees under preferential issue	Nil	-	24,51,000	13.71
	(b) Others	32,28,376	20.92	32,28,376	18.06
	(c) NRIs/OCBs	1,99,423	1.29	1,99,423	1.11
	Total (C)	34,27,799	22.21	58,78,799	32.88
	Total (A) + (B) + (C)	1,54,28,551	100.00	1,78,79,551	100.00

10. **Undertaking:** The Company shall re-compute the price of the equity shares issued on a preferential basis in accordance with the applicable provisions of the SEBI (ICDR) Regulations where it is required to do so. The amount payable on account of such re-computation of price, if any, is not paid within the time stipulated under the SEBI (ICDR) Regulations, the equity shares issued on a preferential basis shall continue to be locked-in till the time such outstanding amount is paid by the allottees.

The proposed preferential allotment shall not result in change in management control. Voting rights shall change in accordance with the shareholding pattern as above mentioned. A copy of the certificate received from the Auditors of the Company in connection with the proposed preferential issue shall be available for inspection during business hours on all working days at the registered office of the Company till the date of the ensuing extraordinary general meeting.

None of the directors of the Company are concerned/interested in the resolutions except to the extent of their shareholding and the shareholding of their relatives in the Company.

The resolutions proposed in Item 1 are recommended to the members for their approval.

ITEM 2

Pursuant to the proposed preferential issue of equity shares to the Investor, the Company has agreed to amend the Articles of Association of the Company to capture certain terms of the aforesaid investment by the Investor, including with respect to the governance of the Company. The amendments proposed to the Articles of Association of the Company are set out in the Annexure to this notice in bold italics.

None of the directors of the Company are concerned /interested in the resolutions except to the extent of their shareholding and the shareholding of their relatives in the Company.

The resolutions proposed in Item 2 are recommended to the members for their approval.

ANNEXURE TO ITEM NO. 2 OF THE EXPLANATORY STATEMENT



**BUTTERFLY GANDHIMATHI
APPLIANCES LIMITED**

Memorandum and Articles of Association

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, तमिलनाडु, चैन्नई, अंदमान और निकोबार द्वीप

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L28931TN1986PLC012728

मैसर्स GANDHIMATHI APPLIANCES LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
GANDHIMATHI APPLIANCES LIMITED

जो मूल रूप में दिनांक चौबीस फरवरी उन्नीस सौ छियासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
Gandhimathi Appliances Limited

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि. 507 अ दिनांक एस्.आर.एन. दिनांक 25/10/2011 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित (रुपे में मैसर्स 24.6.1985 B23346554
Butterfly Gandhimathi Appliances Limited

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र चैन्नई में आज दिनांक पच्चीस अक्टूबर दो हजार ग्यारह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L28931TN1986PLC012728

In the matter of M/s GANDHIMATHI APPLIANCES LIMITED

I hereby certify that GANDHIMATHI APPLIANCES LIMITED which was originally incorporated on Twenty Fourth day of February Nineteen Hundred Eighty Six under the Companies Act, 1956 (No. 1 of 1956) as Gandhimathi Appliances Limited having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN B23346554 dated 25/10/2011 the name of the said company is this day changed to Butterfly Gandhimathi Appliances Limited and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Chennai this Twenty Fifth day of October Two Thousand Eleven.

Validity unknown
Digitally signed by
Registrar of Companies
Tamil Nadu, Chennai
DN: cn=Registrar of Companies,
ou=Registrar of Companies,
o=Registrar of Companies,
c=IN

Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands

कम्पनी रजिस्ट्रार, तमिलनाडु, चैन्नई, अंदमान और निकोबार द्वीप

*Note: The corresponding form has been approved by S MEENAKSHI, Deputy Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

FORM I R.

The Word "Private" inserted in the provisions of Section 2(68) of the Companies Act, 1956 and the company has been registered as a private company with effect from 25-4-56



(M. SUBBARAYULU)
Assistant Registrar of Companies
Madras

CERTIFICATE OF INCORPORATION

No. 12728 of 19 86

I hereby certify that **GANDHIMATHI APPLIANCES**

PRIVATE LIMITED.

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

Given under my hand at **MADRAS**

this **TWENTY FOURTH** day of **FEBRUARY**
FIFTH **PHALGUNA**

One thousand nine hundred and **eighty six**

One thousand nine hundred and seven (Saka)



(R. AGHORAMURTHY)
Registrar of Companies
TAMIL NADU

**MEMORANDUM OF ASSOCIATION
OF
*BUTTERFLY GANDHIMATHI APPLIANCES LIMITED**

- I. The name of the Company is, **"*BUTTERFLY GANDHIMATHI APPLIANCES LIMITED"**
- II. The Registered Office of the Company will be situated in the State of Tamilnadu.
- III. The Objects for which the Company is established are:-

(A) The main objects to be pursued by the Company on its Incorporation are:-

1. ****To carry on the business as Importers, Exporters, Manufacturers and Dealers of household and industrial vessels and utensils from all types of metals, plastics, ebonite and in particular all household appliances including Liquified Petroleum Gas Stoves, Pressure Cookers, Pressure Pans, Vacuum Plasks, Cookware and Non-stick Cookware ranges, Cooking Ranges, other cooking utensils of all types, Containers, Buckets, Mixer Grinders, Wet Grinders, Mixers, Juicers, Toasters, Refrigerators, Hot Plates, Ovens, Washing Machines, Dryers, Geysers, Water Heaters and other Electric Appliances including Televisions, Transformers and Electric Motors of every kind and description.**
2. To carry on the business of manufacture and sale of boilers, tankers of all types used in manufacturing activities carried on in all types of Industries.
3. To carry on business as fabricators of various components, required by automobile and chemical Industries from all type of metals.
4. To manufacture, buy, sell or otherwise deal in all such materials or components as are allied or akin to the aforesaid products mentioned in the sub-clauses 1 to 3.

(B) The Objects incidental or ancillary to the attainment of the Main objects are :-

1. To invest or deal with the money not immediately required whether with or without interest or security, including in current deposit account with any bank or banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as the company may approve, provided the Company shall not do any banking business as defined under the Banking Regulation Act, 1949.
2. To borrow or raise, for business purposes, money by way of cash, credit, overdraft, discount, bonds, mortgage, debenture, debenture stock, deposit, bill, promissory note, hundies, or in any other manner and to grant security for all or any of such sums and by way of security to dispose, mortgage, and charge the whole or any part of the property and assets and revenue of the Company including uncalled capital, to dispose, transfer and convey the same absolutely or in trust, with the usual powers of sale except the power to make call to lender and creditors and also to raise money by the issue of mortgage debenture or debenture stock or preference stock and purchase, redeem or pay off any such securities.

*Amended pursuant to the Special Resolution passed at the Extra-Ordinary General Meeting Dated. 15.10.2011 and approval by the Registrar of Companies on 25.10.2011, the name of the company changed from "Gandhimathi Appliances Limited" to "Butterfly Gandhimathi Appliances Limited"

**Amended pursuant to Special Resolution passed by Postal Ballot and approved by the registrar of Companies on 12.09.2011, on Merger of Gangadharam Appliances Limited with the Company.

3. To acquire or purchase running concern carrying on the same or similar business or businesses as covered by the object clause - A above.
4. To enter into partnership or arrangement for sharing the profits of joint venture with any person or persons or company carrying on or about to carry on any business which the Company is authorised to carry on and to acquire or join in acquiring any such business as covered by the object clause - A above.
5. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with or any part of the undertaking property investments and rights of the Company.
6. To apply for purchase or otherwise acquire any patent, trade marks, brevets d' invention, licences, concessions, protections, rights, privileges, and the like conferring any exclusive or non - exclusive or limited rights to any secret or other information as to any invention which may seem capable or being used for any of the purposes of the company or the acquisition of which may seem directly or indirectly of use or benefit to the company or may appear likely to be advantageous or useful to the company and to use exercise, develop or grant licence privileges in that respect or otherwise turn to account the property right or information so acquired and to assist encourage and spend money in making experiments, test, improvements of any invention, patent and right, which the company may acquire or propose to acquire.
- *7. To purchase, acquire, hold and dispose of or otherwise deal and invest in any shares, debentures and other securities in or any company or companies' real estate, properties either out of its own funds or out of funds that the company might borrow by issue of debenture or from bankers or otherwise howsoever in any other manner whatsoever.
8. To establish and support or aid in the establishment and support of associations, institutions, clubs, societies, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company or the dependents or the connections of such persons or subject to the provisions of the Companies Act. to subscribe or guarantee money for any charitable, national, religious, benevolent, general or useful object or fund or for any purpose which may likely, directly or indirectly further the objects of the Company or the interest of its members or business.
9. To distribute among the members in specie any property of the Company or any proceeds of sale or, disposal of any property of the company but so that no distribution amounting to reduction of Capital be made except with the sanction, if any, for the time being required by law or in the event of winding up.
10. To allot shares in the Company to be considered as fully or partly paid up as payment or consideration of any service or property of whatever description which the Company may acquire.
11. To amalgamate with any Company or Companies having objects altogether or in part similar to those of this Company or any other company subject to the provisions of the Companies Act, 1956.

*Amended pursuant to Special Resolution passed at the Extra-Ordinary General Meeting held on 29.6.2010.

12. To acquire and run any industrial concern or factory doing the same type of business as this company's objects authorise to do, and as the company may deem fit.
13. To act as buying or selling agents and to enter into any agreement or agreements for any of the purpose aforesaid.
14. To act as agents or brokers, stockists, distributors and agents, sales agents, manufacturer's representatives and as trustees for any person or company and to undertake and perform sub-contracts for the purpose of the business of the company.
15. To apply for, purchase or otherwise acquire and protect and renew in any part of the world any patents, patent rights, brevets d' invention, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes 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 licence in respect of or otherwise turn to account the property, rights or information so acquired, and to expend money to experimenting upon, testing or improving any such patents, invention, information or rights.

(C) **OTHER OBJECTS.**

1. To carry on the business as Civil, Mechanical & Electrical contractors, general construction builders, real estate agents, owners and hirers of all kinds of immovable properties.
2. To carry on the business or vocation of acting as advisers and consultants on all financial and industrial matters.
3. To carry on the business of consultancy in civil, mechanical, electrical engineering and also in computers hardwares and software.

IV: The Liability of the Members is Limited.

*V: The Authorised Share Capital of the Company is Rs. 40,00,00,000/- (Rupees forty crores) divided into 4,00,00,000 (Four crores) Equity Shares of Rs. 10/- each. The Company has the power from time to time to increase or reduce its capital and to issue any shares in the original or new capital as Equity or Preference Shares or Convertible or Redeemable Preference Shares and to attach to any class of such shares, any preference, rights, privileges or priorities in payment of dividends, or distribution of assets or otherwise over any other shares or to subject the same to any restrictions, limitations or conditions and to vary the regulations of the Company as far as necessary to give effect to the same and upon the sub-division of any shares to apportion the right to participate in profits in any manner.

*Enhancement in Authorised Share Capital from Rs. 25 Crores to Rs. 40 Crores pursuant to directions of Board for Industrial and Financial Reconstruction vide Rehabilitation cum Merger scheme, sanctioned on 17.08.2011.

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

Sl.No	Names, Address, Description and occupation of subscribers	No. of Equity shares taken by each subscriber	Witness to the signatures with Address, Description and Occupation
1	Sd/- V.M. LAKSHMINARAYANAN S/o. Sri V. Murugesu Chettiar 9, Sivakamipuram, Malaviya Avenue Thiruvanmiyur Madras - 600041. Industrialist	10 (Ten only)	Sd/ R. RUDHRAKUMAR S/o. Sri V. Ramaswami Aiyar 4, Mangesh Street T. Nagar Madras - 600017. Chartered Accountant
2	Sd/... V.M. KUMARESAN S/o. Sri V. Murugesu Chettiar 9, Sivakamipuram Malaviya Avenue Thiruvanmiyur Madras - 600 041. Industrialist	10 (Ten only)	-do-
	Total	20 (Twenty only)	

Dated at Madras this 24th day of January 1986.

***ARTICLES OF ASSOCIATION
OF
BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

1. Regulation contained in Table 'A' in the First Schedule to the Companies Act, 1956 shall apply to this Company so far as applicable to Public Limited Companies except to the extent they are modified or supplemented as hereunder. In the absence of any provision in these Articles or in Table 'A' the relevant section of the Act shall apply.
2. In the Interpretation of these Articles, the following words and expressions shall have the following meaning unless repugnant to the subject or context thereof.

(i) *'Accounting Principles' shall mean accounting principles issued by the Institute of Chartered Accountants of India and generally accepted in India together with pronouncements thereon from time to time and applied on a consistent basis.*

(ii) "The Act" or 'The Companies Act' shall mean the Companies Act, 1956 and amendment thereof.

(iii) *"Affiliate" shall mean: (i) with respect to any Person other than the Investor (or its Affiliates), any other Person that, alone or together with other Persons, directly or indirectly Controls, is Controlled by, or is under common Control with, such first mentioned Person; (ii) with respect to a natural person, in addition to Sub-clause (i), such person's relatives (as defined under the Act, and shall include such persons as set out under Accounting Standard 18 prescribed by the Institute of Chartered Accountants of India); and (iii) with respect to the Investor a fund managed and / or solely managed / solely advised / solely sub-advised by Reliance Equity Advisors (India) Limited, whether such fund is formed or established In India or in any other country.*

(iv) *"Applicable Law" shall mean, with respect to any Person, all provisions applicable in India from time to time of all: (i) constitutions, treaties, statutes, laws, codes, rules, regulations, ordinances or orders, or any similar form of decision of, or determination by, or any interpretation, policy or administrative instruction having the force of law of any of the foregoing, of any Governmental Authority; (ii) Governmental Approvals; (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority directly applicable to such Person; and (iv) listing agreements executed by the Company with a recognised stock exchange; whether in effect as of 16th April 2012 or thereafter.*

(v) 'The Articles' or 'Articles' or The Company's Regulations' mean the Articles of Association of this Company and includes Memorandum where the context so requires.

(vi) 'The Board' or 'Board of Directors' means a meeting of Directors duly called and constituted or as the case may be the directors assembled at a Board or the requisite number of directors entitled to pass a circular or the Directors of the Company collectively.

* Amended and restated Articles of Association for adoption and approval pursuant to the Special Resolution proposed to be passed at the Extra-Ordinary General Meeting Dated. 16-4-2012

** Amended pursuant to the Special Resolution passed at the Extra-Ordinary General Meeting Dated. 15.10.2011 and approval by the Registrar of Companies on 25.10.2011, the name of the company changed from "Gandhimathi Appliances Limited" to "Butterfly Gandhimathi Appliances Limited"

- (vii) *"Business" shall mean the business of manufacturing, sourcing, marketing and sale of the Products, and shall include such other business that the Company is engaged in at any relevant time.*
- (viii) *'Business Day' shall mean a day, not being a Saturday or a Sunday or any other banking holiday, on which banks are open for business (including for dealings in foreign currency, deposits and exchange) in Mumbai and Chennai, and in the context of a payment being made to or from a bank in a place other than India, in such other place.*
- (ix) *'Charter Documents' shall mean the Memorandum of Association and the Articles of Association of the Company;*
- (x) *'The Company' or 'This Company' means '*BUTTERFLY GANDHIMATHI APPLIANCES LIMITED' established under the Companies Act, 1956.*
- (xi) *'Directors' mean the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.*
- (xii) *'Investor' shall mean RELIANCE ALTERNATIVE INVESTMENTS FUND – PRIVATE EQUITY SCHEME-I, a trust constituted in terms of the Indian Trusts Act, 1882 and registered as a domestic venture capital fund with the Securities and Exchange Board of India (bearing registration number IN/VCF/05-06/077) (acting through its trustee Reliance Alternative Investments Services Private Limited) and shall include its successors and assigns.*
- (xiii) *'Office' means the Registered Office, for the time being of the Company, (vii) 'Person' includes firms and corporations as well as individuals, (viii) 'Seal' means the 'Common Seal' for the time being of the Company*
- (xiv) *'Writing' shall include typewriting, printing, lithography and other mode or modes or representing or reproducing words in visible form.*
- (xv) *'Members' mean members of the Company holding a share or shares of any class.*
- (xvi) *Words imparting the plural number also include, where the context requires or admits the singular number and vice versa, words imparting the masculine gender also include where the context requires or admits, the feminine gender.*
- (xvii) *Subject as aforesaid, any words or expressions defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles.*
- (xviii) *'Beneficial owner' means the beneficial owner as defined under clause (a) of sub-section (1) of the Section 2 of the Depositories Act, 1996.*
- (xix) *'Encumbrance' shall mean, any claim, mortgage, charge (fixed or floating), non-disposal undertaking, escrow, pledge, lien, hypothecation, option, power of sale, right of pre-emption, right of first refusal, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or any other security*

**Amended pursuant to the Special Resolution passed at the Extra-Ordinary General Meeting Dated. 15.10.2011 and approval by the Registrar of Companies on 25.10.2011, the name of the company changed from "Gandhimathi Appliances Limited" to "Butterfly Gandhimathi Appliances Limited"*

interest of any kind, including retention arrangements and any agreement or obligation to create any of the foregoing, or encumbrance of any kind, or a contract to give or refrain from giving any of the foregoing.

- (xx) 'Depository' shall mean a depository as defined under clause (e) of sub-section (l) of section 2 of the Depositories Act, 1996.
- (xxi) 'Depositories Act, 1996' shall mean and include any statutory modification or re-enactment thereof for the time being in force.
- (xxii) '*Intellectual Property*' shall mean *patents, inventions, know-how, trade secrets and other confidential information, registered designs, copyrights, design rights, rights affording equivalent protection to copyright and design rights, trade marks.*
- (xxiii) 'Member' means duly registered holder, from time to time, of the shares of the Company of any class and includes the subscribers to the Memorandum of the Company and every person whose name is entered as a beneficial owner in the records of the Depository, but does not include the bearer of a share warrant of the Company issued in pursuance of Section 114 of the Act.
- (xxiv) "*Products*" shall mean *gas stove, table top wet grinder, mixer grinder, pressure cooker including pressure pan, flask, non-stick cookware and cookware sets and any other kitchen appliances as may be decided by the Board from time to time.*
- (xxv) '*Related Party*' shall mean *in relation to any person, any other person who is treated as a related party of the first person under the Accounting Principles or Applicable Law as on 16th April 2012; provided that, with respect to the Company, this shall specifically include any entity, or firm, in which any of the promoters of the Company, or the Company, has any financial interest.*
- (xxvi) 'Securities and Exchange Board of India' (SEBI) means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
- (xxvii) 'Security' means such security as may be specified by SEBI from time to time or security under the Depositories Act, 1996.
- (xxviii) *Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.*
- (xxix) *Notwithstanding anything to the contrary, any time limits specified in any provision of these Articles, within which any person is required to perform any obligations or complete any activity, shall be extended by such period as may be required to comply with any requirement of law; provided that, the person that is required to comply with such law shall, upon informing the relevant persons of such extension in writing, act in good faith and take all necessary steps to ensure compliance with such law within the minimum time possible.*

CAPITAL

3. *(a) The Authorised Share Capital of the Company is Rs. 40,00,00,000/- (Rupees forty crores) divided into 4,00,00,000 (four crores) Equity Shares of Rs. 10/- each with power to increase or reduce the Share Capital.
- ** (b) Subject to provisions of Section 80 of the Act, the Company shall have power to issue Convertible or Redeemable Preference Shares upon such terms and conditions as the Board may determine.
- (c) i. The Company may exercise the powers of paying commission conferred by Section 76 of the Act, provided that the rate percent of the amount of commission paid or agreed to be paid shall be disclosed in the manner required by that Section.
- ii. The rate of commission shall not exceed the rate of five percent in the case of shares and two and a half percent in the case of debentures of the price at which the shares or the debentures in respect whereof the same is paid or issued or an amount equal to five or two and half percent on such price, as the case may be.
- iii. The commission may be satisfied by payment of cash or the allotment of fully paid shares or debentures or partly in one way and partly in the other.
- iv. The company may also on any issue of shares or debenture pay such brokerage as may be lawful.
4. Subject to the provisions of the Act and these Articles the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such times as they may from time to time think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting by a Special Resolution otherwise decides any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.
5. In addition to and without derogating from the powers for the purpose conferred on the Board under Article 4 of above, the Company in General Meeting, by a special resolution, may determine that any shares (whether forming part of the original capital or any increased capital of the Company) shall be offered to such persons (whether members or holders or debentures of the Company or not) giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount (subject to compliance with the provisions of Section 79) such options being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

*Enhancement in Authorised Share Capital from Rs. 25 crores to Rs. 40 crores pursuant to directions of Board for Industrial and Financial Reconstruction vide sanctioned Rehabilitation-cum-Merger scheme sanctioned on 17.08.2011.

**Amended pursuant to Special Resolution passed at the Annual General Meeting of the Company held on 11th August 2011.

6. The Board may at time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital but subject to Section 81 of the Act and subject to the following conditions namely;

- (a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid upon those shares at that date;
- (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting the shares of the Company in proportion, as nearly as circumstances admit, to the capital paid upon those shares at that date;
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
- (d) after the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.

The Directors may, with the sanction of the Company in General Meeting, offer and allot shares to any person at their discretion provided that such sanction is accorded either by:-

- (a) A Special Resolution passed at any General Meeting; or
- (b) by an Ordinary Resolution passed at a General Meeting by a majority of the votes cast with the approval of the Central Government in accordance with Section 81 of the Act.

Provided that the option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in General Meeting.

Provided further that Debenture/Debenture Stock, Loan/Loan Stock with the right of conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

Nothing in this Article shall apply to the increase in the subscribed Capital of the Company which has been approved by:

- (a) a Special Resolution passed by the Company in General Meeting before the issue of the Debenture or the raising of the loans, and
 - (b) the Central Government before the issue of the Debentures or raising of the loans or in conformity with the rules, , if any, made by that Government in this behalf.
7. (a) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of Section 106 and 107 of the Act be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a special General Meeting of the holders of the shares of that class.
- (b) To every such separate General Meeting the provisions of these Articles relating to General Meetings shall MUTATIS MUTANDIS apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one tenth of the Issued shares of that class.

8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided for the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking PARI PASSU therewith.
9. The Company shall not issue any snares (not being Preference Snares) which carry voting rights or rights in the Company as to dividend capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
10. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debentures stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures or debenture-stock of the Company but so that If the commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with. The Company may also on any Issue of shares pay such brokerage as may be lawful.
11. The joint-holders of a share or shares shall be jointly as well as severally liable for the payment of all instalments and calls due in respect of such share or shares.
12. Save as otherwise provided by these Articles, the Company shall be entitled to treat the Registered holder of any shares as the absolute owner thereof and accordingly the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest, lien, pledge or charge in any share or (except only as by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
13.
 - (a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company In or about the formation or promotion of the Company or the acquisition and/or conduct of Its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid up shares.
 - (b) As regards all allotments, from time to time made, the Board shall duly comply with Section 75 of the Act.
14. An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
15.
 - (1) Every person whose name is entered as a member in the Register shall be entitled to receive without payment.
 - (a) One Certificate for all his shares; or
Sub-division/consolidation of shares shall not be entertained except when such sub-division/consolidation is required to make them into marketable lots or is required to be made to comply with a statutory order or of an order of a competent court of law or otherwise required by law.
 - (b) Share Certificates shall be issued in marketable lots of 100 shares. Where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge,

- (2) The Company shall within three months after the allotment and within one month after application for registration of the transfer of any shares or debentures complete and have ready for delivery, the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
 - (3) Every Certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - (4) Every Certificate of title to shares shall be issued in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or any amendment thereof or any provision of law applicable thereon, for the time being in force.
16. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of certificates in accordance with Article 17 below.
 17. If a certificate be worn out, old decrepit, defaced, destroyed or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee provided however that such new certificate shall not be given except upon delivery of the worn out, old decrepit, or defaced or used up certificate for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case to the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the Companies (Issue of Share Certificate) Rules, 1960 or any modification thereof for the time being in force.
 18. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be registered holder of the share or his legal representative or representatives, if any.

LIEN

19. The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either alone or jointly with any other person and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors at any time may declare any shares to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed the registration of transfer of shares shall operate as a waiver of the Company's lien If any, on such shares.
20. For the purpose of enforcing such lien the Board of Directors may sell the shares subject thereto in such manner, as it thinks fit but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount In respect of which the lien exists has been given to the registered holder of the shares for the time being or to the person entitled to the shares by reason of the death or insolvency of the registered holder.
21. (a) To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the share comprised in any such transfer.

- (b) The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
22. The net proceeds of any such sale shall be applied in or towards satisfaction of said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of the sale.

CALLS ON SHARES

23. Subject to the provision of Section 91 of the Act, the Board of Directors may from time-to-time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the persons, at the time and place appointed by the Board of Directors.
24. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such unless the resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution: and in the absence of such a provision a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.
25. Not less than twenty-one day's notice of any call shall be given specifying the time and place of payment provided that the Board may, by notice in writing to the members, extend the time for payment thereof.
26. If by the terms of issue of any share or otherwise, any amount is made payable at any fixed time or by instalment, at fixed times whether on account of the share or by way of premium every such amount or instalment shall be payable as if it were call duly made by the Directors, of which due notice had been given, and all the provisions herein contained in respect of call shall relate and apply to such amount or instalment accordingly.
27. If the sum payable in respect of any call or, instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same from the day appointed for the payment thereof to the time of the actual payment at a rate as the Directors may determine. The Board of Directors are also at liberty to waive payment of interest wholly or in part.
28. The provisions of these Articles as to payment of interest shall apply in the case of non payment of any sum which by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
29. The Board of Directors, may, if they think fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advanced may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.
30. Neither a judgement nor a decree in favour of the company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the company of a portion of any money which shall from time to time be due from any member in respect of any

share either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the company from proceeding to enforce a forfeiture of such shares as hereinafter provided.

31. If a member fails to pay any calls or instalment of a call on the day appointed for the payment thereof, the Board of Directors may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other shares.
32. On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or, was, when the claim arose, on the Register of shareholders of the company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made as duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
33. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or behalf the day appointed the shares in respect of which the call was made will be liable to be forfeited.
34. If the requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given at any time thereafter, before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends in respect of the forfeited shares and not actually paid before the forfeiture.
35. When any shares have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
36. A forfeited or surrendered share may be sold or otherwise disposed of on such terms and in such a manner as the Board may think fit and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
37. A person, whose shares have been forfeited shall cease to be member In respect of the forfeited shares, and notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the company in respect of the share whether such claim be barred by limitation on the date of the forfeiture or not but his liability shall cease if and when the company received payment In full or all such moneys due in respect of the shares.
38. The forfeiture of a share shall involve the extinction of all interest in and also of all claim and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

39. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the company for the consideration, if any given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
40. The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which by terms of issue of a share, becomes payable at fixed time, whether on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
41. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given the directors may cause the purchaser's name to be entered in the register in respect of the shares held and may issue fresh certificate in the name of such purchaser. The purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money and after his name has been entered in the register in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively,

TRANSFER AND TRANSMISSION OF SHARES

42. (a) The instrument of transfer of any shares in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of members in respect thereof.
- (b) The Board shall not register any transfer of shares unless proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.
- Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application in writing made by the transferee and bearing the stamp required for an instrument of transfer register the transfer on such terms as to indemnity as the Board may think fit.
- (c) Nothing in this Article shall prejudice any power of the Board to register the transfer of any shares to a transferee, whether a member or not, within the frame work of the Act.
43. Shares in the Company shall be transferred by an instrument in writing in the prescribed form as specified in Section 108 of the Companies Act.
44. (a) The Board may, at their absolute discretion and without any assigned reason, decline to register:
1. The transfer of any share whether fully paid or not to a person of whom they do not approve, or

2. Any transfer or transmission of shares on which the Company has a lien.

Provided that registration of any transfer shall not be refused on the ground of the transfer or being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the share.

- (b) If the Board refuses to register any transfer or transmission of right they shall within two months from the date on which the instrument of transfer or the intimation of such transmission was delivered to the Company, send notice, of the refusal to the transferee and the transferrer or to the person giving intimation of such transmission as the case may be.
- (c) In case of refusal by the Board, the decision of the Board shall be subject to the right of the appeal conferred by Section III, Sub-clause (3) of the Act.
- (d) The provisions of this clause shall apply to transfer of stock also.
45. (a) The Board, at their discretion, may decline to recognise or accept an instrument of transfer of shares unless the instrument of transfer is in respect of one class of shares.
- (b) No fee shall be charged by the Company for registration of the transfers or for effecting transmission of shares on the death of a member or for registering any letters of probate, letters of administration and similar other documents.
- (c) Notwithstanding anything contained in sub-articles (b) or Article 42, the Board may accept applications for sub-division or consolidation of shares into denominations of less than marketable lots except when such sub-division or consolidation is required to be made to comply with a statutory order or of an order of a competent court of law.
- 45A. *The Company and / or the promoters shall promptly inform the Investor as soon as they become aware of any single person, either by itself or with persons acting in concert, acquires more than 5% of the Company's issued and paid up share capital.***
- 45B. *Notwithstanding anything contained elsewhere in these Articles: (i) the Investor shall not be required to pledge directly or indirectly any security held by it, or provide any guarantee or any other support (financial or otherwise) to any third party, including but not limited to, the lenders of the Company and/or any subsidiaries of the Company.***

NOMINATION OF SHARES

- 45C. (a) Every holder of shares in, or holder of debentures of, the Company may, at any time, nominate a person to whom his shares in, or debentures of, the Company shall vest in the event of his death in the manner prescribed in the Act.
- (b) Where the shares in, or debentures of, the Company are held by more than one person jointly, the joint holders may together nominate a person to whom all the rights in the shares or debentures of the Company, shall vest in the event of death of all the joint holders in the manner prescribed in the Act.
- (c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in, or debentures of, the company, where a nomination made in the manner prescribed in the Act purports to confer on any person the right to vest the shares in, or debentures of, the Company, the nominee shall, on the death of the shareholder or holder of debentures of, the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in the

shares or debentures of the Company or, as the case may be, all the joint holders, in relation to such shares in, or debentures of the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed in the Act,

(d) Where the nominee is a minor, it shall be lawful for the holder of the shares, or holder of debentures, to make the nomination to appoint, in the manner prescribed in the Act, any person to become entitled to shares in or debentures of, the Company in the event of his death during the minority.

46. (1) In the event of death of any one or more of several joint holders, the survivor or survivors, alone shall be entitled to be recognised as having title to the shares.

(2) In the event of death of any one holder or on the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of Hindu joint family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors or the Karta thereof as having title to the shares registered in the name of such member:

46A. (1) Any person who becomes a nominee by virtue of the provisions of Section 109A of the Act, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -

(a) To be registered himself as holder of the share or debenture, as the case may be;

or

(b) To make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debentureholder, as the case may be, could have made.

(2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.

(3) All the limitations, restrictions and provisions of the act relating to the right to transfer and the registration of transfers of shares or debentures, shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were a transfer signed by that shareholder or debentureholder, as the case may be.

(4) A person, being a nominee, becoming entitled to a share or debenture by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share or debenture except that he shall not, before being registered a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company; provided that the Board may, at any time, give notice requiring any such person to elect

either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share or debenture, until the requirements of the notice have been complied with."

47. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect either:-
- (a) to be registered himself as a holder of the share;
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (2) The Board, shall in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency
48. (1) If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (3) All the limitations, restrictions and provisions of these regulations relating to the rights to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.
49. No transfer shall be made to an infant or a person of unsound mind or a minor.
50. Every endorsement upon the certificate of any share in favour of any transferee shall be made by the Secretary or by some person for the time being duly authorised by the Board in that behalf.
51. The instrument of transfer shall, after registration remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of eight years or more.
52. (1) The Company shall keep a book to be called the „Register of Members“ and therein shall be entered the particulars every transfer or transmission of any shares and all other particulars of shares required by the Act to be entered in such Register.
- (2) The Board may after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situate, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.
- (3) All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

53. The Company shall incur no liability or responsibility whatever in consequence of their 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 person having or claiming any equitable right, title or interest to/in the same shares notwithstanding that the Company may have had notice of such equitable right or title to interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company, but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall think fit.

DEMATERIALISATION OF SECURITIES

54. (1) Notwithstanding anything contained in these articles, when the shares are dealt with in a depository, the Company shall intimate the details of allotment of shares to the depository immediately on allotment of such shares.
- (2) Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.
- (3) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed under the Depositories Act, 1996, issue to the beneficial owner the required certificates of securities.
- (4) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 187B, 187C and 372/372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.
- (5) Nothing contained in these Articles which is inconsistent with the provisions of Depositories Act, 1996 shall apply to a transfer of securities effected by a transferrer or transferee both of whom are entered as beneficial owners in the records of a Depository.
- (6) The Register and Index of beneficial owners maintained by a depository under the Depository Act, 1996 shall be deemed to be the Register and Index of members and Security holders for the purposes of these Articles.
- (7) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares, transfer and transmission of shares and voting at meetings shall be applicable to shares held in a depository so far as they apply to shares held in physical form subject to the provisions of Depositories Act, 1996.
- (8) Notwithstanding anything in the Companies Act, 1956 or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

- (9) Nothing contained in the Act or these Articles relating to necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.
- (10) Notwithstanding anything contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purpose of affecting transfer of ownership of security on behalf of the Beneficial owner. Save otherwise provided herein the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (11) Every person holding the securities of the Company and whose name is entered as beneficial owner in the records of the Depository shall be deemed to be a Member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of securities which are held by a Depository.

ALTERATION OF CAPITAL

- 54(A)(1) The Company may from time to time in accordance with the provisions of the Act alter the conditions of its Memorandum of Association as follows:
 - (a) increase its share capital by such amount as it think expedient by issuing new shares;
 - (b) consolidate and divide all or any of its share Capital into shares of larger amount than its existing shares.
 - (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of the denomination;
 - (d) sub-divide it shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount shall be the same as it was in the case of the shares from which the reduced shares is derived.
 - (e) cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
- (2) The resolution whereby any share is sub-divided may determine subject to the provisions of the Act that, as between the holders, of the shares resulting from such subdivision one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise as compared with the others.

55. The Company may, by Special Resolution, reduce in any manner and with, and subject to any incident authorised and consent required by law:-
 - (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

SURRENDER OF SHARES

56. The Directors may subject to the provisions of the Act accept the surrender of any shares by way of compromise of any question as to the holder being properly registered in respect thereof.

MODIFICATION OF RIGHTS

57. The rights and privileges attached to each class of shares, may be modified, commuted, affected, abrogated in the manner provided in Section 107 of the Act.

SET OFF OF MONEYS DUE TO SHAREHOLDERS

58. Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

GENERAL MEETING

59. The Company shall in each year hold in addition on to the other meeting a general meeting which shall be styled as its annual general meeting at intervals and in accordance with the provisions of Section 166 of the Act.
60. (1) Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board may deem fit within the local limits of the place where the Registered Office is situated.
- (2) The Board may convene an Extraordinary General Meeting at such time and place as may be determined.
61. (a) The Board shall on the requisition of such number of members of the Company specified below proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- (b) The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed, by the requisitionists and shall be deposited at the Registered office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.
- (c) The requisition may consist of several documents in like forms each signed by one or more requisitionists.
- (d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold on the date of the deposit of the requisition of not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of voting in regard to the matter set out in requisition.
- (e) If the Board does not within 21 days from the date of deposit of the requisition with regard to any matters proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such, of the requisitionists, as represent either majority in value of the paid-up share capital held by them or of not less than 1/10 th of such paid-up capital of the Company as is referred to in Sub-Clause (d) above whichever is less.
62. A General Meeting of the Company may be called by giving not less than twenty-one day's notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded in the case of the Annual General Meeting by all the members entitled to vote there at and in the case of any other meeting of the Company holding not less than 95% of the part

of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting.

Provided that where any members of a Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

63. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings, or any resolution passed at such meeting.
64. All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of dividend, the consideration of the accounts, Balance Sheets and the reports of the Directors and Auditors, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein, of every Director. If any item of business consists of the according of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Provided that where any item of special business to be transacted at meeting of the Company relates to or affects any other company there shall also be set out in the statement if the extent of such holding interest of the Directors or Manager of the Company in the other company of such interest is not less than 20% of the paid up share capital of the other Company.

65. Five members personally present shall be quorum for a General Meeting and no business shall be transacted at any general meeting unless the requisite quorum is present when the meeting proceeds to business.
66. If within half an hour from the time appointed for a meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, It shall stand adjourned to the same day in the next week and at the same time and place or to such other day and at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
67. The Chairman of the Board of Directors, shall preside at every general meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman the Joint Chairman of the Board of Directors shall preside every general meeting of the Company.
68. If there is no such Chairman or if at any General Meeting the Chairman is not present within 15 minutes after the time appointed for holding the meeting or if they are unwilling to act as Chairman the members present shall choose a Director present, to be the Chairman of the meeting and if no Directors present and all the Directors are unwilling to take the chair, the members present shall choose someone of their number to be the Chairman.
69. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting 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. When meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Same as aforesaid it shall not be necessary to give in any notice of an adjourned meeting of the business to be transacted at that meeting.

70. At a General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded, in accordance with the provisions of Section 179. Unless a poll is so demanded a declaration by the Chairman that a resolution has, on a show of hands has or has not been carried either unanimously or by a particular majority and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
71. In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
72. If a poll is duly demanded in accordance with the provisions of Section 179, it shall be taken in such manner as the Chairman, subject to the provisions of Section 184 and Section 185 of Act may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolutions on which the poll was taken.
73. A poll demanded on the election of Chairman or on a question of adjournment shall be, taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty eight hours from the time when demand was made as the Chairman may direct.
74. (a) Every member of the Company holding any Equity share capital shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by a proxy and his voting right on a poll shall be in proportion to his share of the paid up Equity Capital of the Company.
(b) Every member holding any Preference shares shall in respect of such shares have a right to vote only on resolutions which directly affects the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, on every resolution placed before the company at any meeting if the dividend due on such preference shares or any part of such dividend has remained unpaid as provided in Section 87 of the Act. Such dividend shall be deemed to be due on Preference shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
(c) Whenever the holder of a Preference Share has right to vote on any resolution in accordance with the provision of this Article, his voting right on a poll shall be in the same proportion as the capital paid up in respect of such Preference shares bears to the total equity paid up capital of the Company.
75. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

76. In the case of joint holders, the vote of the first named of such joint holders who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
77. No member shall be entitled to vote at a general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
78. On a poll, votes may be given either personally or by proxy provided that a body corporate which is a member of the company shall vote in accordance with the provisions of Section 187 of the Act.
79. (a) The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorised in writing, or if the appointer is a Corporation, either under the Common Seal or under the hand of an officer or attorney so authorised. Any person may act as proxy whether he is a member or not.
- (b) A body corporate (whether a company within the meaning of this Act or not) may:
- (i) If it is a member of the Company by resolution of its Board of Directors or other covering body, authorise such person as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of class of members of the Company.
- (ii) If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative on any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- (c) A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.
80. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notariilly certified copy of that power or authority shall be deposited at the Registered Office of the Company not less than forty eight hours before the time for holding the meeting or, adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
81. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
82. Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion.
83. Unless otherwise determined by a General Meeting the number of Directors shall not be less than 3 and not more than 12.

VACATION OF OFFICE BY DIRECTORS

84. (1) The Office of a Director shall be vacated if:

- (a) He fails to obtain within the time specified in sub section (1) of Section 270 or at any time thereafter ceases to hold the share qualification if any required of him by the Articles of the Company.
 - (b) if he is found to be of unsound mind by a Court of competent jurisdiction.
 - (c) he applies to be adjudicated as an insolvent.
 - (d) he is an undischarged insolvent;
 - (e) he is convicted by a Court for any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months.
 - (f) he fails to pay any call in respect of share of the Company held by him, whether along or jointly with others, within six months from the last date fixed for the payment of the call; unless the Central Government has by notification in official Gazette removed the disqualification by such failure.
 - (g) he absent himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.
 - (h) he, (whether by himself or any person for his benefit or on his account) or any firm in which he is a Director accepts a loan, or any guarantee of security for a loan from the Company, in contravention of Section 295.
 - (i) he acts in contravention of Section 299 of the Act.
 - (j) he is removed in, pursuance of Section 284, of the Act.
 - (k) having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.
- (2) Notwithstanding anything in clause (d), (e) and (j) aforesaid, the disqualification referred to in those clauses shall not take effect.
- (a) for thirty days from the date of the adjudication, sentence or order.
 - (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or
 - (c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction, or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

85. (a) Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office from contracting with the Company either as Vendor, Purchaser, Lender, Agent, Broker, or otherwise, nor shall any such contract or any contract or arrangements entered into by or on behalf of the Company with any Directors or with any Company or Partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the

Company for any profit realised by such contract or arrangement by reason only of such Director holding that Office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract of arrangement is determined on, if the interest then exists or in any other case at the first meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall vote as Director in respect of any contract or arrangements in which he is so interested as aforesaid or take part in the proceedings there at and he shall not be counted for the purpose of ascertaining whether there is quorum of directors present. This provision shall not apply to any contract of 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. A general notice that any Director is a Director or member of any Company or specified firm and is to be regarded as interested in any subsequent transaction with such Company or firm shall, as regards any such transaction be sufficient disclosure under this Article and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such company or firm.

- (b) A Director may be or become a Director of any Company promoted by this Company or in which this Company may be interested as Vendor, Shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such Company.
86. Except as otherwise provided by these Articles, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.
87. Notwithstanding anything contained in these presents any Director contracting with the Company shall comply with the provisions of Section 299 of the Companies Act, 1956.
88. Subject to the limitations prescribed in the Companies Act, 1956 the Directors shall be entitled to contract with the Company and no Directors shall be disqualified by their having contracted with the Company as aforesaid.

ROTATION OF DIRECTORS

89. At the annual general meeting of the Company the whole of the directors excepting the non rotational, Government Directors, Corporation Directors or Managing/whole time Director or Debenture Director shall retire from office. At every subsequent annual meeting, one third of the Directors liable to retirement by rotation for the time being or, if their number is not three or a multiple of three, then the number nearest to one third shall retire from office.
90. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing another person thereto.
91. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall unless they otherwise agree among themselves, be determined by lot.
92. Subject to Section 256 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up 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, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their pieces filled up shall be deemed to have been reappointed at the adjourned meeting.

93. Subject to provisions of Section 284, the Company by Ordinary Resolution, may at any time remove any Director except Corporation/Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his stead. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid. A Director so removed from office shall not be reappointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.
94. A person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director 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 candidate for the office of Director, or the intention of such member to propose him as a candidate for that office, as the case may be.
95. The Company shall keep at its registered office a register containing the addresses and occupation and the other particulars, required by Section 303 of the Act, of its Directors, and Secretary and shall send to the Registrar of Companies returns as required by the Act.
96. The business of the Company shall be carried on by the Board of Directors.
97. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit; provided that a meeting of the Board shall be held at least once in every three months and at least four such meetings shall be held in every year.
98. *No meeting of the Board is held unless at least 10 (ten) Business Days written notice is issued to the Directors, unless such notice is waived in writing by a majority of the Directors and also the Investor Director.*
99. (1) Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
(2) In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.
100. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below five, the continuing Directors or Director may act for the purpose of increasing the number of Directors to five or for summoning a general meeting of the Company and for no other purpose.
101. The quorum for meeting of the Board 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 is equal to or exceeds two thirds of the total

strength the number of the remaining Directors that is to say the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting that is to say, the total strength of the Board after deducting there from the number of Directors, if any, whose pieces are vacant at that time.

102. If no person has been appointed as Chairman, the Board shall appoint one of its members as Chairman for a fixed term or permanently subject to his appointment being revoked by a subsequent decision of the Board under Article 101 above or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be the Chairman of the Meeting.
103. (1) The Board may from time to time and at any time constitute one or more Committees of the Board consisting of such member or members of its body as the Board may think fit.
- (2) Subject to the provisions of Section 292, the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit.
- (3) The Board may from time to time revoke, add to or vary any powers, authorities and discretions so delegated.
104. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last preceding Articles.
105. The Chairman shall be the Chairman of its meetings if he is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
106. The quorum of a Committee may be fixed by the Board and until so fixed if the Committee is of a single member or two members the quorum shall be one and if more than two members It shall be two.
107. (1) A Committee may meet and adjourn as It thinks proper.
- (2) Question arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.
108. All acts done by any meeting of the Board or of Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or, any of them were disqualified, as be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.
109. Save as otherwise expressly provided in the Act, are solution in writing circulated in draft together with the necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or Committee as the case may be) and to all other Directors or members at their usual addresses in India and approved by such of

the Directors as are then in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effected as if it had been a resolution duly passed at a Meeting of the Board or Committee duly convened and held.

110. *Notwithstanding anything to the contrary contained elsewhere in these Articles, the Investor Director shall be a member of the Remuneration Committee of the Company.*

APPOINTMENT, POWER AND DUTIES OF DIRECTORS

111. The Company may from time to time in general meeting, Increase or reduce the number of directors subject to Article 83 of the Articles of Association and determine the period for which they will hold office.
112. *Notwithstanding anything contained elsewhere in these Articles, the Investor shall have the right to nominate 1 (one) person as Director (the "Investor Director") and such Investor Director's alternate. The promoters of the Company shall exercise all their rights and powers (including, unless prohibited by Applicable Law, their rights as or in respect of Directors) to cause the Board to forthwith appoint such person as a Director of the Company and, unless the Investor changes or withdraws such nomination, to cause such person to be elected as a Director at the next general meeting of the Company. The Investor Director shall: (i) be a non-executive director; (ii) not be liable to retire on a rotational basis; and (iii) not be required to hold any qualification shares. Subject to the provisions of the Act, the Company shall use its best efforts to ensure that the Investor Director and other non-executive Directors are not reckoned as 'Officers in Default' as defined under the Act.*
- *113. The Board of Directors shall have powers to co-opt a Vice Chairman and appoint Joint Managing Director or Joint Managing Directors). The Board is also empowered to appoint additional directors subject to the provisions of Article 83. Such additional directors shall retire at the Annual General Meeting held after their appointment. They are eligible for re-appointment. Any casual vacancy occurring in the Board of Directors may be filled up by the remaining directors, but any person so chosen shall retain his office only upto the date up to which the director in whose place he is appointed would have held office if it had not been vacated and shall then be eligible for re-election. A director need not hold any shares in his name as qualification shares.
114. Any Finance Corporation or Government (Central or State) if and when such Corporation or Government so stipulates at the time of advancing any loan to the Company, be entitled to appoint or nominate a person (hereinafter called the "Corporation Director" or "Government Director") as a director of the Company. Such Corporation or Government may at any time, remove any director so appointed and appoint another director in his place or in the place of a Director so appointed who resigns or otherwise vacates his Office another Director In his place. Such of those regulations of the Company that pertain to retirement by rotation of Directors shall not be applicable to such appointees.
115. Alternate Directors may be appointed by the Board and their term of Office regulated In accordance with Section 313 of the Companies Act, 1956. *The Investor shall, subject to the provisions of the Act, be entitled to nominate an alternate Director for the Investor Director, and such alternate Director shall serve in the absence of the Investor Director for whom he/she is an alternate. Any such appointment as alternate Director shall take place as the first item of business at the Board meeting following receipt by the Company of such nomination. The Investor shall also have the right to withdraw its nomination and nominate another alternate Director in*

*Amended pursuant to Special Resolution passed at the Annual General Meeting held on 11.8.2011.

his/her place. An alternate Director so appointed shall, subject to the provisions of the Act, be entitled to attend and vote in place of the Investor Director at the meetings of the Board specified in the notices relating thereto.

- 116.** *The appointment of any new independent Directors on the Board shall be done in consultation with the Investor and only after a detailed forensic report, if so requested by the Investor, has been obtained with respect to such independent director. The costs incurred in the preparation of a detailed forensic report with respect to an independent director shall be borne by the Company.*
- *117. Subject to the provisions of the Act, the Board shall have power to appoint from among themselves a Chairman or one or more Managing Directors or Whole time Directors, as the case may be and the terms of office of such persons shall be determined by the board.
- *118. The management of the business of the Company shall vest with the Managing Director(s) and the Board of Directors who may exercise all such powers and do all things as the company is authorized by its Memorandum of Association or by statute. In the event of any Managing Director not being appointed by the Board, the management of the business shall vest with the Board of Directors or a Committee of Directors appointed by the Board.
119. The Whole-time Directors shall perform such duties and exercise such powers as the Board of Directors may from time to time determine and, subject to the conditions and restrictions if any, that the Board may impose, and shall exercise all such powers and perform such duties subject to the control, supervision and directions of the Board of Directors and subject thereto the supervision and direction of the Managing Director.
- *120. The Managing Director(s) shall, subject to the superintendence, control and directions of the Board of Directors, have the power to do all such acts and things within the framework of the Companies Act, 1956.
121. Every Director who is interested in a contract which the company has entered into, shall disclose the nature and details of his interest in the Board Meeting held next after such a contract is entered into.
122. A Director shall not vote in respect of any contract or arrangement in which he is interested unless he has already disclosed his interest.
123. The Board may appoint at any time and from time to time by a power of Attorney under the Company's Seal, any person to be the Attorney of the Company for such purposes and with such powers authorities and discretion not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment may, if the Board think fit, be made in favour of the members, or any of the members of any firm or company or the members, Directors, nominees or managers of any firm or Company or otherwise in favour of any body of persons whether Dominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
124. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in him.

*Amended pursuant to Special Resolution passed at the Extra-Ordinary General meeting dated 24.12.2011.

125. In furtherance of and without prejudice to the general powers conferred and other powers conferred by these Articles, and subject to the provisions of Section 292 and 293 and other provisions of the Act that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to do the following things.
- (a) To purchase or otherwise acquire for the company any property, rights or privileges which the company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and conditions and for such consideration as they may think fit.
 - (b) At their discretion to pay for any property, rights and 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 the sum as may be 'either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
 - (c) To secure the fulfilment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled, capital for the time being or in such other manner as they think fit.
 - (d) To appoint and at their discretion remove or suspend such Agents, Secretaries, Officers, Clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries, emoluments and to require security in such instances and to such amount as they think fit.
 - (e) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company
 - (f) To refer any claims or demands by or against the Company to arbitration and observe and perform the awards.
 - (g) To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.
 - (h) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
 - (i) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur personal liability for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
 - (j) To give any person employed by the Company a commission on the profits or any particular profits on transactions or a share in the general profit of the Company.
 - (k) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

- (l) From time to time make, vary and repeal bye laws, for the regulations of the business for the Company its officers and servants.
 - (m) Before recommending any dividends to set aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any; Provident Fund or Benefit fund in such or any other manner as the Directors may deem fit.
 - (n) To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and Company respectively to any such fund and accord employment, suspensions and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said Fund as the Directors shall from time to time think fit.
 - (o) And generally, at their absolute discretion, to do and perform every act and things which they may consider necessary or expedient for the purpose of carrying on the business of the Company excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.
126. The Board shall have power to appoint as the Secretary a person fit In their opinion for the said office for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time be delegated or entrusted to him by the Board or the Managing Director or as required to be performed by him under the Act.
127. Subject to the provisions of the Act any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the company, may be undertaken by the Board at such time or times as they shall think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch of kind or business.
128. The powers and responsibility of the Directors of the Company shall be as in the Companies Act, 1956, and Table 'A' thereof except in so far as they stand modified by the provisions of these Articles.

REMUNERATION OF DIRECTORS

129. (a) Subject to the provisions of the Act, the Directors may, with the sanction of the special resolution passed in the General Meeting, and such sanction if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- (b) Subject to the provisions of the Act, the Company in General Meeting may by special resolution sanction and pay to the Directors in addition to the said fees set out in sub clause (a) above a remuneration not exceeding one percent (1 %) of the net profits of the company calculated in accordance with the provisions of Section 198 of the Act. The said amount, of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during ring the year of account in respect of which such remuneration is paid or during ring any portion of such year irrespective of the length of the period of which they held office respectively as such Directors.

- (c) Subject to the provisions of Section 314 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, If any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes, the Directors of the Company may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.
- *130. The fee payable to Directors other than Managing Director and Whole time Director for attending each meeting of the Board or Committee thereof shall be such sum as the Directors may consider from time to time not exceeding Rs. 20,000/- (Rupees Twenty thousand only) or such other ceiling as may be prescribed under the Companies Act, 1956 or by the Central Government in that behalf. In addition to the said fee, the Company may allow and pay to a Director attending a meeting of the Board or Committee thereof such sum as the Directors may consider fair and reasonable compensation for his expenses in connection with his attending the meeting. *Notwithstanding anything contained elsewhere in these Articles, all the expenses incurred by the Investor Director for attending Board or Committee meetings shall be borne by the Company.*
131. *Notwithstanding anything contained elsewhere in these Articles, the Company shall comply with provisions of Applicable Law with respect to fixing the remuneration of its managerial personnel. In the event, the Company proposes to pay remuneration over and above the limits provided in the Act, it shall seek the Investor's prior written consent, in addition to any government approvals required by Applicable Law.*
132. (1) The Board may from time to time raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not without the sanction of the Company at a General Meeting exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose and in particular but subject to the provisions of Section 292 of the Act the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities and in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or in trust and give the lenders powers of sale and other powers as may be expedient and purchase redeem or pay off any securities.
- Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors.
- Provided that subject to the provisions of Section 292 the Board may by a resolution delegate the power to borrow money otherwise than on debentures to a committee of Directors or the Managing Director subject to limits specified in the said resolution of the total amount which may be so borrowed.

*Amended pursuant to Special Resolution passed at the Annual General Meeting held on 11.8.2011.

- (2) Subject to the provisions of the clause next above the Board may from time to time at their discretion, raise or borrow or secure the repayment of, any sum or sums of money for the purpose of the company at such times, and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being, or by mortgaging or charging or pledging any lands, buildings, bonds or other property and securities of the Company or by such other means as to them may seem expedient.
133. Such debentures, debentures stock, bonds or other securities may be made assignable free from any requisites between the Company and the person to whom the same may be issued.
134. (a) Any such debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- (b) Any trust for securing of any debentures or debenture stock and or any mortgage deed and or other bond for securing payment of moneys borrowed by or due by the Company and or any contract or any agreement made by the Company with any person, firm body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner, may provide for the appointment, from time to time, by any such Mortgage Lender, Trustee of or Holders of debentures or Contracting Party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such Trust Deed, Mortgage Deed, Bond or Contract may provide that the person appointing a Director as aforesaid may from time to time remove any Directors so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating Office as such Director. Such power shall determine and terminate of the discharge or repayment of respective Mortgage, Loan or Debt or Debentures or on the termination of such contract and any person so appointed as Director under Mortgage or Bond or Debenture Trust Deed or under such contract shall cease to hold Office as such Director on the discharge of the same. Such appointment and provisions in such document as aforesaid shall be valid and effective as if contained in these presents.
135. Any uncalled capital of the company may be included in or charged by mortgage or other security.
136. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the shareholders or otherwise to obtain priority over such prior charge.
137. If the Directors or any of them, or any other persons, shall become 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 other person so becoming liable aforesaid from any loss in respect of such liability.

138. (1) Subject to the provisions of the Act the Board shall exercise the following powers on behalf of the company and the said power shall be exercised only by resolution passed at the meetings of the Board.
- (a) Power to make calls on shareholders in respect of moneys unpaid on their shares;
 - (b) Power to issue debenture;
 - (c) Power to borrow moneys otherwise than on debentures;
 - (d) Power to invest the funds of the Company;
 - (e) Power to make loans.
- (2) The Board may by a meeting delegate to any Committee of the Board or to the Executive Director the powers specified in sub-clauses (c), (d) and (e) above.
- (3) Every resolution delegating the power set out in sub-clause (c) shall specify the total amount outstanding at any one time upto which money's may be borrowed by the said delegate.
- (4) Every resolution delegating the power referred to in sub-clause (d) shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.
- (5) Every resolution delegating the power referred to in sub-clause (e) above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and, the maximum amount of loans that may be made for each such purpose in individual cases.
139. The Directors shall cause a proper register to be kept in accordance with the provisions of the Companies Act, 1956 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.
140. Every Register of holders of debentures of the company may be closed: for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as aforesaid every such register shall be open to the inspection of registered holders of any such debentures and of any members but the company may in General Meeting impose any reasonable restrictions so that at least two hours in every day, when such register is open, are appointed for inspection.
141. The Company shall comply with the provisions of the Companies Act, 1956, as to allowing inspection of copies kept at the registered office in pursuance of the said Act, and as to allowing inspection of the Register of mortgages to be kept at the office in pursuance of the said Act.
142. The Company shall comply with the provisions of the Companies Act, 1956, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.
143. Holders of debentures shall have the same right to receive and inspect the Balance Sheet of the Company and the reports of the Auditors and other reports as are possessed by the members of the Company.

144. (1) The Company shall comply with the requirements of Section 193 of the Act, in respect of the keeping of the minutes of all proceedings of every general meeting and every meeting of the Board or any Committee of the Board.
- (2) The Chairman of the meeting shall exclude at his absolute discretion entries in the minutes such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interest of the Company.

MINORITY PROTECTION RIGHTS

145. (i) *The Promoters and the Company agree that no decision shall be taken by the Board or the shareholders or the Company or otherwise, and no obligation of the Company shall be entered into, on any of the matters set out below (relating to the Company, or any future subsidiary of the Company) (the "Fundamental Issues") without the Investor's prior written consent, which consent shall not be unreasonably withheld and the Investor shall endeavour to respond to a request from the Company for such written consent within 10 (ten) Business Days of receipt of such request:*
- (a) *Amendments or any proposal to amend the Charter Documents except such amendments as are required under any Applicable Law.*
 - (b) *Any appointment of a Director representing a strategic investor (i.e., an entity in the same or similar business as the Business).*
 - (c) *Acquisition of shares or securities or assets of other businesses, mergers, de-mergers, spin-offs and consolidations.*
 - (d) *Any creation of joint ventures / partnership in any business unrelated to the Business.*
 - (e) *Any transaction between the Company and a Related Party other than: (i) in the normal course of business related to the Business of the Company; and (ii) on arm's length commercial terms.*
 - (f) *Any increase in the issued, subscribed or paid up equity or preference share capital of the Company, or reduction of share capital or reorganisation of the share capital of the Company, including any new issue of shares or other securities of the Company or any preferential issue of shares or redemption of any shares, issuance of warrants, or grant of any options including employees stock options over its shares by the Company or any change in the rights and preference of securities.*
 - (g) *Commencement of any new line of business, which is unrelated to the Business.*
 - (h) *Capital expenditure not related to the operating business of the Company, including acquisition of assets, construction or lease.*
 - (i) *Borrowings leading to the Company's debt equity ratio exceeding 2.5:1.*
 - (j) *Creation of any investments other than deposits in banks or debt mutual funds, or any activity relating to currency derivative or foreign exchange derivative or commodity derivatives transaction.*

- (k) *Divestment of or transfer or sale of or creating any Encumbrance on or in any way proposing to dispose of substantially all of the assets or undertaking of the Company or divestment of shares in a subsidiary of the Company. Creation of any Encumbrance in favour of a bank or financial institution for raising debt to be applied to the Business shall not be covered herein.*
 - (l) *Any agreement, arrangement, transaction alienation or assignment of the Company's Intellectual Property. Any manufacturing outsourcing arrangement shall not be covered herein.*
 - (m) *Grant of any financial assistance or recommendation, giving or renewing of security for or advancing loan or the guaranteeing of debts or obligations other than in the normal course of business. The Directors and the promoters of the Company may continue to provide financial assistance or guarantees, etc., to their group companies in their personal capacity.*
 - (n) *Winding up and/or liquidation of the Company.*
 - (o) *Any modification, amendment, supplement, novation or termination of such agreements as may be identified by the Company, the Investor and the Promoters of the Company pursuant to any agreement executed by and among them in writing.*
- (ii) *Notwithstanding anything else contained in these Articles, the Investor may transfer and assign its rights under this Article 145 to an Affiliate of the Investor, which Affiliate of the Investor shall strictly comply with these Articles in the exercise of such rights.*

COMMON SEAL

146. (a) The Company shall have Common Seal and the Board shall provide for the safe custody of the Seal. The Seal shall not be applied to any instrument except by the authority of a resolution of the Board of Directors and in the presence of at least two Directors and such Directors shall sign every instrument to which the seal is affixed in their presence. Such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.
- (b) The Directors can have an official seal which shall be a facsimile of the common seal of the company for use outside India in connection with transaction of business outside India. Such official seal will in addition, on its face have the name of the territory, District or place where it is used.
- (c) The Directors, by writing under its common seal, can authorise any person appointed for the purpose in that territory, district or place outside India to affix ix the official seal to any deed or other document to which the company is party in that territory, district or place.
- (d) The authority to any agent authorised under the above sub-section shall as between the company and any person dealing with the Agent, continue during the period if any, mentioned in the instrument conferring the authority or if the period is not mentioned, until notice of the revocation or determination of the agent's authority has been given to the person dealing with him.
- (e) The person affixing any such official seal shall, by writing under his hand, certify on the deed or other documents to which the seal is affixed, the date on which and the place at which it is affixed.

- (f) A deed or other documents to which an official seal is duly affixed shall bind the company as if it has been sealed with the common seal of the company.

DIVIDENDS AND RESERVES

147. The profits of the company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the shareholders.
148. The company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
149. The declaration of the Directors as to the amount of the net profits of the company shall be conclusive.
150. The Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
151. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 203 and 208 of the Act.
152. (1) The Board may before recommending any dividends set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profit of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time think fit.
- (2) The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.
153. (1) Subject to the rights of persons if any entitled to shares with special rights as to dividends all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.
- (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
154. The Board may deduct, from any dividend payable to any member all sums of money if any, presently payable by him to the company on account of calls in relation to the shares of the Company or otherwise.
155. Any General Meeting declaring a dividend or bonus may make a call on the members of such amount as a Meeting fixes, so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the Company and themselves be set off against the call.

156. (1) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directed to the registered address of holder or in the Case of joint holders to the registered address of one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.
- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (3) Every dividend warrant or cheque shall be posted within forty two days from the date of declaration of the dividends.
157. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
158. No dividend shall bear interest against the company.
159. Unclaimed dividends shall be dealt with in accordance with the provisions of Sec. 205-A of the Companies Act, 1956.
160. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

161. (1) The Company in General Meeting, may on the recommendation of the Board resolve:-
- (a) that the whole any part of any amounts standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any moneys, investments or other asset, forming part of the undivided profits including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any capital assets of the Company standing to the credit of the General Reserve, or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
- (b) that such sum be accordingly set free for distribution in the manner specified In sub-clause (2) amongst the members who would 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 sub-clause (3) either in or towards :
- (i) Paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (ii) Paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportions aforesaid; or
- (iii) Partly in the way specified in sub-clause (1) and partly In that specified In sub-clause (II)
- (3) A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

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

ACCOUNTS

163. (1) The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
- (2) All the aforesaid books shall give a true and fair view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain its transactions.
- (3) The books of account shall be open to inspection by any Director during business hours.
164. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit,
165. The Board shall from time to time determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.
166. The Board shall lay before such Annual General Meeting a profit and loss account for the financial year of the company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.
167. Subject to the provisions of Section 211 of the Act, every balance Sheet and Profit And Loss Account of the Company shall be in the forms set out in Parts I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.

168. (1) Subject to Section 215 of the Act, every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board by not less than two Directors, one of whom shall be a Managing Director if there is one, and by a Secretary if there is one.
- (2) The Balance Sheet and the Profit and Loss Account shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.
169. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditor's Report shall be attached thereto.
170. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the company's affairs, the amounts, if any, which it proposes to carry to any Reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount if any which it recommends to be paid by way of dividend.
- (2) The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the company's business or that of the company's subsidiaries deal with any changes which have occurred during the financial year in the nature of the business carried on by them and generally in the class of business in which the Company has an interest and material changes and commitments, if any affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of the report.
- (3) The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 222 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (4) The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised shall be signed by such number, of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company under Article 168.
- (5) The Board shall have the right to charge any person not being a Director with the duty of seeing that provisions of sub-clause (1) to (2) of Article 163 are complied with.
171. The Company shall comply with the requirements of Section 219 of the Companies Act 1956.

ANNUAL RETURNS

172. The Company shall make the requisite annual returns in accordance with Sections 159 and 161 of the Act.

AUDIT

173. (1) Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- (2) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.

- (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be re-appointed unless:
- (a) he is not qualified for re-appointment;
 - (b) he has given the Company notice in writing of his unwillingness to be re-appointed
 - (c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
 - (d) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be, the resolution cannot be proceeded with.
- (4) Where at an Annual General Meeting no auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.
- (5) The Company shall within seven days of the Central Government's power under sub-clause (4) becoming exercisable, give notice of that fact to the Government.
174. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company.
175. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditors appointed by the Directors may be fixed by the Board.
176. (1) Every Auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of his duties as Auditor.
- (2) All notices of, and other Communications relating to, any General Meeting of a Company which any member of the company is entitled to have sent to him shall also be forwarded to the Auditor; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
- (3) The Auditor shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by this Act to be part of or annexed to Balance Sheet or Profit and Loss Account, which are laid before the company in General Meeting during his tenure of Office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view.
- I. in the case of the Balance Sheet of the state of the company's affairs as at the end of the financial year,
 - II. in the case of the Profit and Loss Account of Profit and Loss as at the end of the financial year.

- (4) The Auditor's Report shall also state;
 - (a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
 - (b) whether in his opinion books of accounts as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him; and whether the report on the accounts of any branch office audited under Section 228 by a person other than company's auditor has been forwarded to him and how he has dealt with the same in preparing the auditors' report.
 - (c) whether the Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.
 - (5) where any of the matters referred to in clauses (I) and (II) of sub-section (2) of Section 227 of the Act or sub-section (3) is answered in the negative or with qualification, the Auditor's Report shall state the reason for such answer.
 - (6) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company
177. Every Account of the Directors when audited and approved by General Meeting shall be conclusive.

178. *The Company shall provide reasonable prior intimation to the Investor before making any material changes to the Company's accounting policies or practices, or any change in the financial year for preparation of audited accounts; provided that, such changes shall be made only to the extent they are permitted by the Accounting Principles and Applicable Law.*

SERVICE OF DOCUMENTS AND NOTICE

179. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under certificate of posting or by registered post, or by leaving it at the Registered Office.
180. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notices, requisition, process, order) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address in India) to the address any, within India supplied by him to the Company for the giving of notices to him.
- (2) All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to such person whoever is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- (3) Where a document is sent by post:
 - (a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, provided that where a member has intimated to the company in advance that 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

documents shall not be deemed to be effected unless it is sent in the manner Intimated by the member; and such service shall be deemed to have been effected;

- I. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
 - II. in any other case at the time at which the letter would be delivered in the ordinary course of post.
181. Each registered holder of shares shall from time to time notify in writing to the company some place in India to be registered as his address and such registered place of address shall for all purpose, be deemed to be his place of residence.
182. If a member has no registered address in India, and has not supplied to the Company any address within India for the giving of notices to him a document advertised in a newspaper circulating in the neighbourhood of the registered office of the company shall be deemed to be duly served on him on the day on which the advertisement appears.
183. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of 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) be served if the death or insolvency had not occurred.
184. Any notice or document delivered or sent by post or left at the registered address of any member in pursuance of the presents shall notwithstanding, that such member be then deceased and whether or not the Company have notice of his decease be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purpose of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.
185. Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:-
- I. to the members of the company as provided by Article 74 or as authorised by the Act;
 - II. to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 184 or as authorised by the Act;
 - III. to the Auditor or Auditors for the time being of the Company in any manner authorised by the Act in the case of any member or members of the Company.
186. Subject to the provision of the Act any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to the duly served or sent if advertised in a newspaper circulating in the District where the registered office of the Company is situate.
187. Every person who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered on the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

188. Any notice to be given by the Company shall be signed by the Director or officers as the Directors may appoint. The signature to any notice to be given by the Company be Written or printed or lithographed.
189. *Notwithstanding anything contained in these Articles, the service of notice on the Company, the Investor or any of the promoters of the Company shall be subject to such agreements as may be executed by and among them in writing.*

AUTHENTICATION OF DOCUMENTS

190. Save as otherwise expressly provided in the Act or these Articles a document or proceeding, requiring authentication by the Company may be signed by a Director or an authorised officer of the Company and need not be under its seal.

WINDING UP

191. Subject to the provisions of the Act as to preferential payment, the assets of the company shall, on its winding up be applied in satisfaction of its liabilities pari passu and subject to such application shall, unless the Articles otherwise provide, be distributed among the members according to their rights and interest in the Company.
192. If the company shall be wound up whether voluntarily or otherwise the liquidators may, with the sanction of a special resolution, divide among the contributories, in specie (or kind, any part of the assets of the company, in trustees upon such trust for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares to be divided, as aforesaid involve a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, the liquidators shall, if practicable act accordingly.

INDEMNITY AND RESPONSIBILITY

193. (a) Subject to the provisions of Section 201 of the Act every Director, Manager, Secretary and other officer or employee of the company shall be indemnified by the Company against, and it shall be the duty of the Directors out of funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or in any other way in the discharge of his duties, as such Director, Officer or employee.
- (b) Subject as aforesaid every Director, Manager, Secretary, or other Officer or employee of the Company shall be indemnified against any liability incurred by them or him in defending any proceedings whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court, and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies or complying with any of the provisions of the Act in respect of or by reason of his Office as a Director or other officer of the company.
194. Subject to the provisions of Section 201 of the Act, no Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of other Director or officer, or for joining

any receipt of other act for conformity for any loss or expense happening to the company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the company, or for the insufficiency and deficiency of any security in or upon which any of the moneys of the company shall be invested, or for any loss or damages arising from the bankruptcy, insolvency, or tortuous act of any person, company or Corporation with whom any moneys, securities of effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

195. *The Company shall, to the extent permitted by Applicable Law, obtain, at its cost, directors' and officers' liability insurance policy for a sum insured of not less than Rs 10,00,00,000 (Rupees Ten crores) in respect of the members of the Board, which shall be renewed from time to time to ensure its validity till such time that the Investor is a shareholder of the Company.*

SECURITY CLAUSE

196. (a) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which in the opinion of the directors it will be inexpedient in the interests of the Company to communicate to the public.
- (b) Every Director, Chairman, Directors in charge, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties, or any time during his term of Office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matter relate and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

GENERAL AUTHORITY

197. Wherever in 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 only if the company is so authorised by its Articles, then and in that case the Regulation hereby authorised and empowers the Company to have such right privilege or authority and to carry out such transactions as have been permitted by the Act without there being any specific regulation in that behalf herein.

RIGHTS, PRIVILEGES AND OBLIGATIONS OF THE INVESTOR

198. *Notwithstanding anything contained in these Articles or otherwise, the rights, privileges and obligations including but not limited to the rights of a shareholder as available under Applicable Law, to the Investor shall be effective only upon the Investor acquiring not less than 24,51,000 (twenty four lakhs fifty one thousand) equity shares in the Company and all such rights, privileges and obligations granted to the Investor under the Articles, whether*

retained by the Investor or transferred to an Affiliate of the Investor in accordance with the Articles and any agreement as may be executed by and among the Investor, the Company and the Promoters shall forthwith cease upon the earlier to occur of (i) the Investor ceasing to hold at least 14,30,197 (fourteen lakhs thirty thousand one hundred ninety seven) shares in the share capital of the Company (as adjusted for: (a) any bonus issue of shares or other securities by the Company; (b) any stock split, consolidation or other similar action in respect of the share capital of the Company; and (c) any other reorganisation, recapitalisation, reclassification, declaration, setting aside or payment of any distributions or similar event in respect of the share capital of the Company); and (ii) the date falling 5 (five) years from the first date of acquisition of equity shares in the Company by the Investor.

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

Sl.No	Names, Address, Description and occupation of subscribers	No. of Equity shares taken by each subscriber	Witness to the signatures with Address, Description and Occupation
1	Sd/- V.M. LAKSHMINARAYANAN S/o. Sri V. Murugesu Chettiar 9, Sivakamipuram, Malaviya Avenue Thiruvanmiyur Madras - 600041. Industrialist	10 (Ten only)	Sd/ R. RUDHRAKUMAR S/o. Sri V. Ramaswami Aiyar 4, Mangesh Street T. Nagar Madras - 600017. Chartered Accountant
2	Sd/... V.M. KUMARESAN S/o. Sri V. Murugesu Chettiar 9, Sivakamipuram Malaviya Avenue Thiruvanmiyur Madras - 600 041. Industrialist	10 (Ten only)	-do-
	Total	20 (Twenty only)	

Dated at Madras this 24th day of January 1986.

PROXY FORM

BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

Registered Office: 143, Pudupakkam Village, Vandalur-Kelambakkam Road,
Kelambakkam 603 103, Kanchipuram District, Tamil Nadu

I/We _____ of _____
being a member/members of BUTTERFLY GANDHIMATHI APPLIANCES LIMITED, hereby appoint
_____ of _____ or failing him/her
_____ of _____ as my/our proxy
to attend and vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company
to be held on Monday, 16 April 2012 at 143, Pudupakkam Village, Vandalur-Kelambakkam Road,
Kelambakkam 603 103, Kanchipuram District, Tamil Nadu at 11:00 am and at any adjournment thereof.

Signed this _____ day of _____ 2012
Registered Folio Number _____ Number of Shares held _____
DP ID _____ Client ID _____

Affix
Re 1.00
Revenue
Stamp

Notes

1. The proxy form should be signed across the stamp as per specimen signature recorded with the Company.
2. The proxy form duly completed and signed must be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting.

(Signature)

ATTENDANCE SLIP

BUTTERFLY GANDHIMATHI APPLIANCES LIMITED

Registered Office: 143, Pudupakkam Village, Vandalur-Kelambakkam Road,
Kelambakkam 603 103, Kanchipuram District, Tamil Nadu

I/We hereby record my/our presence at the extraordinary general meeting of the Company held on
Monday, 16 April 2012 at 143, Pudupakkam Village, Vandalur-Kelambakkam Road, Kelambakkam 603
103, Kanchipuram District, Tamil Nadu at 11:00 am and at any adjournment thereof.

Name(s): _____
Registered Folio Number(s) _____ Number of Shares held _____
DP ID _____ Client ID _____

Name of Proxy/Representative, if any _____
Signature of the Shareholder(s)/Proxy/Representative _____

Note: Member/Proxy attending the meeting must complete this attendance slip and hand it over at the
entrance of the venue of this meeting.

BOOK POST

If undelivered, please return to:
M/s GNSA Infotech Ltd.
G R Mansion, No 11
Srinivasa Road
Pondy Bazaar, T Nagar
Chennai 600 017