THE COMPANIES ACT, 1956 (COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION OF SCIMORES CORPORATION (INDIA) LIMITED

- 1. The Regulations contained in Table 'A' in Schedule 1 to the Companies Act, 1956 save as mentioned hereunder shall apply to the company.
- 2. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof, in these Articles, unless there be something in the subject or context in consistent therewith or unless the context otherwise requires.
 - a) "The Act" means the Companies Act, 1956 as amended from time to time.
 - b) "The Articles" mean these Articles of Association originally framed or as altered from time to time.
 - c) "The Company" or "This Company" shall mean "SCIMORES CORPORATION (INDIA) LIMITED"
 - d) The "Dividend" means "Dividend" includes Bonus.
 - e) "The Office" means the Registered office for the time being of the company.
 - f) "Register" means as Register of members of the Company required to be maintained under section 115 of the Act.
 - g) "Members" or "Shareholders" mean the duly registered holders of the shares as entered in the Register of Members of the Company.
 - h) "Seal" means the common seal of the Company.

- i) "In writing" or "Written" means and includes printing, typing, lithographing and other modes of reproducing words in a visible form.
- j) "Year" and "Month" means calendar year and calendar month respectively according to the British Calendar.
- k) "Rules" means rules as framed by the Board of Directors for the conduct of the business of the company under these Articles.
- I) "Words" importing the singular number include, where the context requires, the plural number and *vice versa*.
- m) Words importing the masculine gender include the feminine gender; and
- n) Words importing persons shall where the context requires include corporate bodies and companies as well as individuals.
- 3. The share capital of the company is Rs.10,00,00,000 (Rupees Ten Crores only) divided into 40,00,000 equity shares of Rs.25/- (Rupees Twenty Five only). Each subject to increase, decrease, sub-divide or otherwise deal with the provisions of the Companies Act, 1956, and the statutory regulations for the time being in force in this regard. These shares will carry such preferential, qualified or special rights privileges as may be conferred of them from time to time by these regulations. The company shall have a minimum paid-up capital of Rs.5 lakhs or such other sum as may be prescribed by the Act from time to time.
- Share may be registered in the name of any person, company, registered society or other body corporate. Not more than four persons shall be registered as joint holders of any shares.

- 5. Where two or more persons are registered as joint-holders of any shares, they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the following provisions:
 - a) The person whose name stands first in the Register in respect of such shares shall alone be entitled to delivery of the certificates thereof as also dividend on such shares.
 - b) The joint-holders shall severally as well as jointly be liable for the payment of all installments and calls due in respect of such shares.
 - c) In case of death of any one or more such joint-holders, the survivor(s) shall be the only person(s) recognized by the company as having any title or interest in such share, but the directors may require such evidence of death as they may deed fit and nothing herein contained that be taken to release the estate of a deceased joint-holder from any liability on the shares held by him jointly with any other person.
 - d) All notices directed to be given to the members shall be given to whichever of such person is named first in the register and notice to be given shall be sufficient notice for and the joint-holders of such shares.
- 6. Every shareholder or his executor, administrator or legal representative having in his control or his disposal assets of the deceased shareholders shall pay to the company the proportion of the capital which may for the time being remain unpaid thereon at such time and in such manner as the Board shall think fit.

- 7. Every person whose name is entered as a member in the Register of members shall be entitled to receive within three months after allotment (or within such other period as the conditions of issue shall provide) and within one month after the application for the registration of transfer, a certificate under the common seal of the company specifying the share or shares held by him and the amount paid up thereon. In respect of share or shares held in joint names, certificate and delivery of a certificate for a share to such person whose name stands first in the Registrar of Members shall be sufficient delivery to all such holders. Share certificate shall be issued in marketable lots without payment of any fees. Where share certificates are issued for either more or less than marketable lots, sub-division/consolidation into marketable lots shall be done free of charge, provided however, that the company shall be bound to sub-divide less than 100 (hundred) shares.
- 8. If any certificate be worn out or defector then upon production thereof to the company, the company in cancellation of the old certificate, shall issue a new certificate in lieu thereof. If any member requires the certificate pertaining to more than one share to be split into two or more certificate pertaining to one or more shares, the company may cancel the old certificate and issue new certificate, subject to provisions of the Act. If any certificate be lost or destroyed then, upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors may deem adequate being given and on the payment of out of pocket expenses incurred by the company in investigating evidence, a new certificate in lieu thereof shall be given to the registered holders of the share to which such loss or destroyed certificate shall relate. No fee shall be charged for issue of duplicate share certificate, in replacement of those that are old, decrepit, worn-out or where the pages on the reverse has been completely exhausted.

TRANSFER OF SHARES

- 9. Share in the Company shall be transferred in accordance with the relevant provision of the Act. The instruments of transfering them shall be in writing and in such form as shall from time to time be prescribed under the relevant provisions of the Act.
- 10. Save as provided in section 108 of the Act, the Company shall not register a transfer of share unless proper instruments of transfer duly stamped and executed by or on behalf of the transfer or al the transferor in the case of joint-holders as well as the transferee has been delivered to the Company, along with the certificate relating to the shares. Each signature of such transfer shall be duly attested by one witness who shall add his address.
- 11. Subject to the provisions of section 111 of the Act, as the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of share, whether paid or not (not withstanding that the proposed transfer is already a member), but in such case it shall within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and the transferor notice of the refusal to register such transfer, provided that the registration of the transfer shall be refused on the ground that the transferor being either alone or jointly with any other person or persons is indebted to the company on any account whatsoever except where the Board has exercised the power of lien vested in it under these Articles in respect of the Shares proposed to be transferred.
- 12. An application for registration of transfer of the share in the Company may be made either by the transferor or the transferee.
- 13. Where the application made by the transferor relates to partly paid shares, the transfer shall not be registered unless the company gives notice to the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

- 14. No transfer shall be made to an insolvent or a person of unsound mind or in the name of a partnership firm. In the case of partly paid shares no transfer shall be made in the name of a minor.
- 15. Every instrument of transfer shall be signed by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.
- 16. Every instrument of transfer shall be left at the office for registration accompanied by the Certificate of the shares to be transferred, and such other evidence as the Directors may require to prove the title of the transferor and of his right to transfer the share. The transferee shall (subject to the Board's right to decline to register as hereinbefore mentioned) be registered as a member in respect of such shares. The Directors may waive of its loss or destruction and on executing an indemnity bond to that effect by the transferor.
- 17. In no case, shall the Board be bound to inquire into the validity, legal effect or genuineness of the instrument of transfer produced by a person claiming transfer of any share in accordance with these articles and whether they abstain from so inquiring, or to inquire, or are misled. The transferor shall not have any claim whatsoever upon the Company in respect of the share except for the dividends previously declared in respect thereof and not paid, but his claim if any, shall be against the transferee only.
- 18. All instrument 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.
- 19. No fees shall be charged for registration of transfers for effecting transmission or for registering any letter of probation, letter of administration and other similar documents. When a shareholder changes his name or who being a female, marries, may give notice to the company of the change of name or of the marriage so that the same may be registered with the Company.
- 20. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of share made to or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest in the same shares not withstanding that the company may have had notice of such equitable entered such notice referred thereto in any book of the company and the company shall not be bounded or required to regard or attend or give effect to any notice which may be given to it in his behalf or be under any liability under some book of the company but the company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto.

TRANSMISSION OF SHARES

- 21. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his legal representatives where he was a sole holder shall be the only person(s) recognized by the company as having any title to his interest in the shares.
 - (ii) Nothing in clause (1) shall release the estate of a deceased joint-holder from any liability in respect of any shares which had been jointly held by him with other persons.
- 22. The executors or administrators of a deceased member (not being a joint-holder) shall be the only persons recognized by the company as having any title to the shares registered in the name of such member and the company shall not be bound to recognize such executors or administrators or legal representatives, unless they have first obtained probate or letter of

administration as the case may be from a competent court in India, and the same is provided to the Company.

- 23. (a) Any persons becoming entitled to share in consequence of the death or lunacy or insolvency of member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect either.
 - (i) Be registered himself as holder of the share; or
 - (ii) To make such transfer of the share as the deceased or insolvent or lunatic member could have made.
 - (b) The Board shall in either case have the same right to decline or suspend registration as it would have had if the deceased or lunatic or insolvent member had transferred the share before his death, lunacy or insolvency.
- 24. (a) If the person becoming entitled to any share consequent to the death or lunacy or insolvency of a member elects to be registered as holder of the share himself, he shall delivery or send to the company a notice in writing signed by him stating that he so elects.
 - (b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.
 - (c) All the imitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instrument of transfer shall be applicable to any such notice of transfer as aforesaid as if the death, lunacy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.
 - (d) A person so becoming entitled on transmission to a share by reason of the death, lunacy or insolvency of the holder shall subject to the provision of these Articles and section 206 of the Act been titled the same dividends and other advantages as he would be entitled to if he were the registered holder of the share.
- 25. The transfer, transmission, sub-division/consolidation shall be effected within a period of one month from the date of lodgment thereof. All the provisions herein contained as to the transfer and transmission shall apply *mutatis mutandis* to the transfer and transmission of the debentures of the company.
- 26. (a) The Company shall have a first and paramount lien upon at the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at the fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a ware of the company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.
 - (b) Subject to the provisions of these Articles, Debenture/Debenture stock, Loan/Loan Stock, bonds or other securities conferring the right to call for allotment of shares shall be issued subject to the sanction of the Company in General Meeting, provided that an action or right to call of shares shall not be given to any person(s) except with the sanction of the company in General Meeting.
 - (c) Any amount paid in advance of calls may entail a right for interest but will not confer a right to dividend or to participate in the profits of the Company.
 - (d) No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the provisions of section 205(A) of the Companies Act in respect of such dividends.

MEETING OF MEMBERS

- 27. In addition to any other General Meeting, an Annual General Meeting of the Company shall be held in accordance with section 166 of the Companies Act, 1956 and at such time and place as may be determined by the Board.
- 28. The Board may, whenever it thinks fit and necessary postpone an Annual General Meeting or Extra ordinary General Meeting that had been convened by the Board or by the Members or cancel such meeting and reconvene such meeting before such meeting is held or is due to be held. This provision shall not however apply to an Extra Ordinary General Meeting called by the Members on requisition.
- 29. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the proceeds are taken to business. Save as herein otherwise provided, five members present in person shall constitute the quorum for General Meeting.
- 30. The Chairman of the Board of Directors and in his absence the Vice-chairman shall preside over the General Meeting, But if at any meeting they are not present within 15 Minutes of the time appointed for holding the meeting or they are unwilling to preside, the members present at the meeting shall choose a Director and if no Director is present or if all the directors present decline to take the chair, the members shall choose one among themselves to be the chairman of the meeting.
- 31. In the case of an equality of votes, both on a show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition to the vote(s) to which he may be entitled as a member.
- 32. The demand of a poll, other than for election of Chairman for the meeting, for adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the guestion on which a poll has been demanded.
- 33. However, when a meeting is adjourned for 30 days or more, a notice of adjournment at the meeting shall be given as in the case of an original meeting.
- 34. When a meeting is adjourned, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at the adjourned meeting.

 The First Directors are:
 - a) HEMANTH KUMAR BALASUNDARAM
 - b) ANJU HEMANTH
 - c) SHASHI DEVENDRAN VIMALAN

DIRECTORS

- 35. Subject to the provision of section 259 of the Act the number of Directors shall not be less than three and unless and otherwise determined by a General Meeting shall not be more than 12 including the nominees of financial institution, Banks and government, if any.
- 36. The Board shall have the power at any time and from time to time to appoint any person as an Additional Director so that the number of Directors shall not at any time exceed the maximum number fixed by these Articles. The additional Directors so appointed shall hold office only until the conclusion of the next Annual General Meeting of the Company and if eligible for reappointment.

- 37. No share qualification is required for any person for being appointed as a Director of the Company.
- 38. Directors desirous of resigning their office shall submit the resignation in writing. The resignation shall be effective from the date on which it is received by the company at its Registered Office.
- 39. The Board may subject to the provision of Section 262 of the Act fill any causal vacancy arising in this Board.

ALTERNATE DIRECTORS

40. The Board may in accordance with and subject to provision of section 313 of the Act, appoint any person to act as on alternate director for a director during the latter's absence for a period of not less than three months from the date in which meetings of the Board are ordinarily held.

PROCEEDINGS OF THE MEETING OF DIRECTORS

- 41. The board shall appoint from among its members the Chairman and Vice-Chairman of the Company.
- 42. Subject to the provisions of section 285 of the act, the Directors may meet together for the dispatch of the business and may adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the purpose of business. Until otherwise determined and subject to section 287 of the Act, the Directors personally present or one third of the total Strength, whichever is higher shall be the quorum.
- 43. The Chairman or the Vice-chairman may on his own volition and at any time summon or instruct the company secretary to summon a meeting of the Board.
- 44. Subject to the provisions of section 318 and 372(5) of the Act, the question arising at any meetings of the Directors shall be decided by a majority of votes, and in case of equality of votes, the chairman shall have a second or casting vote.
- 45. The meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under these Articles or the Act for the time being vested in or exercisable by the Board.
- 46. If the Quorum is not present within fifteen minutes from the time appoint for holding a meeting of the Board, it shall stand adjourned until such date and time as the chairman/Vice Chairman shall appoint.
- 47. The Board meeting shall be presided over by the chairman and in the absence of or unwillingness on the part of the Chairman to preside over the meeting or if the chairman is not appointed, the meeting shall be presided by the Vice-Chairman of the Company.
- 48. If at any meeting the Chairman or the Vice-chairman is not present within 15 minutes from the appointed time. The Directors may choose one among themselves to be chairman of the meeting only.
- 49. The Chairman and/or the Vice-chairman shall have the power to invite any person or persons not being members of the Board to attend the meeting of the Board, but such invitee(s) shall not be entitled to vote of the meeting.

- 50. The Board may, subject to the provisions of the Act, from time to time and at any time, constitute its committee(s) or sub-committee(s) and delegate any of its powers to such committee(s) as it thinks fit and may from time to time, revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated, conform to any regulation that may from time to time imposed upon it by the board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
- 51. The meetings and proceedings of any such committee shall be governed by the provision herein contained for regulating the meeting and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations made by the Board.
- 52. Save in those cases where solution is required by sections 262, 292, 297, 316 and 372(5) of the Act to be passed at a meeting of the Board, resolution shall be valid and effectual as if it has been passed at a meeting of the Board, resolution shall be valid and effectual as if it has been passed at a meeting of the Board of committee of the Board, as the case may be, duly called and constituted if a draft thereof in writing is circulated together with the necessary papers, if any, to all the directors or to all the members of the committee of the Board, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or committee, as the case may be) and to all other directors of a meeting of the Board or Committee, as the case may be, and to all other Directors or members of the Committee at their usual address in India and has been approved by such of them as are then in India or by a majority of them as are entitled to vote on the resolution.
- 53. Subject to the provisions of the Act, no Director of the Company shall be disqualified by his office from holding any office or place of profit under the Company or under any company in which this company shall be shareholder or otherwise interested or from contracting with the company either as vendor, purchase or otherwise nor shall any such contracts, or any contract or arrangement entered into by, or on behalf of the company in which any directors shall be in anyway interested, be void, nor shall any directors be liable to account to the company, for any profit arising from any such office or place of profit or realized from any such contract or arrangement by 'reason only' of such director holding that office or of the Fiduciary relations thereby established.

POWERS OF THE DIRECTORS

- 54. Subject to the provisions of the Act, the control of the company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the company is authorized to do, provided that the Board shall not exercise any powers or do any act or thing which is directed or required whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the company in General meeting. Provided further in exercising any such power or doing any such act or thing the Board shall be subject to the provisions in that behalf contained in the Act of any other regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in General Meetings by special resolution but not regulations made by the company in General Meetings shall invalidate any prior act the Board which would have been valid if that regulation had not been made.
- 55. Any branch or kind business, which by the Memorandum of Association of the Company or these Articles, expressly or by implication, authorized to be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to kept in abeyance whether such branch or kind of business may have actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

- 56. Subject to the provision of the Act, the Board may from time to time, as it may think fit, delegate to the Managing Director all or any of the powers hereby conferred upon the Board, other than the powers to make call on members in respect of money unpaid on their shares and to issue debentures.
- 57. The Board can 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 purpose and with such powers, authorities and discretion's not exceeding those vested in or exercisable by the Board, or by the Act or these Articles and for such period and subject to such conditions as the Board may from time to time think for any such power of attorney may contain such provisions for the protection and convenience of persons dealing which such attorney, as the board may think fit.
- 58. The continuing directors may act notwithstanding any vacancy in the Board, but if any and so long as their number falls below the quorum fixed by these Articles for a meeting of the Board, the continuing Directors or Director may act for the purposes of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company but for no other purpose.
- 59. (a) The Board of Directors, subject to the provisions of the Act and of this Articles and with the sanction of the company in General Meeting from time to time, at its discretion, raise or borrow or secure payment of any sum or sums of money for the purpose of the company, but the issue.
 - (b) Any such debentures, 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 and attending General Meetings of the Company, appointment of Directors or otherwise.
- 60. (a) The Board of Directors, subject to the provisions of the companies act, 1956 may from time to time, appoint or re-appoint, one or more directors of the office of the Managing Director(s) and/or whole-time Director(s) for such period as they deem fit. The Managing Director(s) and the whole-time Director(s) shall not be liable to retire by rotation so long as they hold the office as such.
 - (b) The whole-time Director(s) shall subject to the supervision and control of the board, exercise such powers and authorities and perform such duties as are entrusted to them by the Managing Director(s) from time to time.
- 61. (a) The Board of Directors may from time to time entrust to and confer upon Managing director or whole-time director such of the powers exercisable under these articles by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such terms and conditions and with such restrictions as they think expedient and may from time to time, revoke, withdraw, alter or vary or any of such powers.
 - (b) The Managing Director, may at his discretion, sub-delegate any of the powers vested in him to any officer of the company subject to his superintendence and control, and modify, restrict or revoke such powers so sub-delegated provided however a report thereof being made to the Board.

REMUNERATION OF DIRECTORS

- 62. (a) Every director shall be entitled to receive out of the funds of the company by way of sitting fees, such sum of rupees as may be fixed by the Board, subject to the ceiling prescribed by the Central government from time to time, as maximum permissible under first provision to section 310 to the Companies Act, 1956 for every meeting of the Board or any provision to section 310 to the Companies Act, 1956 for every meeting for the Board or any committee thereof attended by him. Any director shall be entitled to be paid their reasonable traveling and hotel and other out of pocket expenses incurred in the execution of their duties as Directors.
 - (b) Any Director who attends any Board or Committee Meeting shall be entitled to receive sitting fees and traveling expenses for the same notwithstanding that the same meeting was adjourned. Any Director who attends an adjourned Board/Committee meeting shall be entitled to receive sitting fees and traveling expenses for the adjourned meeting, also notwithstanding that he has already received the sitting fees and traveling expenses for the original meeting which was adjourned.
- 63. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from headquarters for any of the purposes of the Company or giving special attention to the business of the company or as member of a committee of the Board then subject to sections 198, 309 and 310 of the Act, the Board may remunerate the director so doing either by a fixed sum or otherwise.
- 64. The Managing Director(s) or whole-time Director(s) or any other Director shall be paid such remuneration as the Company in general meeting the overall limit approved by the Company in General Meeting, the Board is empowered to make the necessary adjustments and modification that may be required from time to time.
- 65. The chairman of the Company may be paid an annual remuneration of 1% on the net profits of the company computed in accordance with the provisions of the Companies Act, 1956, subject to the approval of the Company in General meeting. He shall not be subject to retirement by rotation.
- 66. Where there is no Managing Director/Whole time Director, the Director may be paid such remuneration as may be decided by the Board subject to the limits prescribed in section 309 of the Act.
- 67. Where there is no Managing Director/Whole-time Director, the Director may be paid such remuneration as may be decided by the Board subject to the limits prescribed in section 309 of the Act.

DIVIDENDS

DIVIDENDS IN PROPORTION TO AMOUNT PAID UP:

68. Subject to the right of members entitled to shares if any, with the preferential or special rights attached to them or unless otherwise provided in any respect by the terms of issue the profits of the Company which it shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the equity shares of the Company so that partly paid up share shall only entitle the holder with respect thereto the amount paid thereon bears to the nominal amount of such shares.

CAPITAL PAID-UP IN ADVANCE NOT TO EARN DIVIDEND:

69. Where capital is paid in advance of calls, it shall not confer right to dividends or participate in profits.

DECLARATION OF DIVIDEND:

70. The company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may subject to the provision of section 207 of the Act fix the time for payment.

CONDITIONS FOR PAYMENT OF DIVIDEND:

71. Subject to the provision of section 205A of the Act no dividend shall be payable except out of the profits of the company or out of the moneys provided by the Central or State government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the company.

INTERIM DIVIDEND:

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

SET OFF OF DIVIDEND AGAINST CALL ETC.,

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

DIVIDEND IN CASH:

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

DIVIDEND TO JOINT HOLDERS:

75. Any one of the several persons registered as the joint holders of any share may give effectual receipts for dividends and other payments in respect of such shares.

DIVIDEND WARRANT

76. Unless otherwise directed in accordance with section 206 of the Act, any dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the holder or, and in the case of joint holders to the registered address to that one of the joint holder who is the first name in the register in respect of the joint holding or to such person and such address as the case may be, may direct and every Cheque or warrant shall be made payable to the order of the person to whom it is sent.

UNCLAIMED DIVIDENDS:

77. "No unclaimed dividend shall be forfeited by the Board and" Any dividend which has been declared by the company but has not been paid or claimed (within the meaning of section

205A of the Act) within 42 days from the date of its declaration to or by a member be entitled to the payment of such dividend shall be dealt with by the company in accordance with the said section 205A.

CONSOLIDATION AND SPLITTING

- 78. The company in General Meeting may from time to time by ordinary resolution after the conditions of its Memorandum of Association so as to:
 - a) Consolidate and divide all or any of its share capital into shares of large amount than its existing shares.
 - b) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum so however, than in the sub-division the proportion between them among paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced is derived.
 - c) Cancel any share, which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

BORROWING POWERS

79. 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 money already borrowed by the company (apart from temporary loan 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 sum or such sums of money for the purpose of the company, by the issue of debentures convertible into shares of this or any of the company or perpetual annuities and in security of any such money company 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 b 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 up to which moneys may be borrowed by the Board of Directors;

Provided further that subject to the provisions of section 292, the Board may by a resolution to delegate, the power to borrow money otherwise than on debentures to committee of Director or the Managing Director subject to limits specified in the said resolution of the total amount which may to so borrowed, subject to the provision of the above clause, 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 times and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory note or by opening current accounts or by receiving deposits and advances with or without security or by the issues of bonds, perpetual or redeemable debentures or debenture stock of the company charges 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 charging or pledging land and building or bond or other means as they may seem expedient.

DEBENTURES

80. Debentures/bonds with the right to allotment or conversion into shares shall not be issued without the sanction the Company in General Meeting.

ASSIGNMENT OF DEBENTURES

81. Such debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the company and the person to whom the same may be issued.

TERMS OF DEBENTURE ISSUE

- 82. (a) Any such debenture, debenture stock, bond 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 conversions into share still not be issued except with the sanction of the Company in General meeting.
 - (b) Any trust deed for the securing of any debentures or debenture stock and or any mortgage deed and/or other bond for securing payment of money borrowed by or due by the company and/or any contract or any agreement made by the company with any person, firm or body corporate. Government or authority who may render or agree to render any financial assistance to the company by way of loans, advances or by guaranteeing of any loan borrowed or other obligations of the Company or by any 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 person to be a Director or Directors of the Company. Such Trust Deed, Mortgage Deed, Bond or contract may provide that the person to be a director or Directors of the Company. Such trust Deed, Mortgage Deed, bond or contract may provide for filling up of any casual vacancy created by such person vacating office as such Director. Such Power shall determine and terminate on the discharge or repayment of the 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 debenture trust deed or under such contract shall cease to hold office as such Director on the Discharge of the same. Such appointment and provision in such documents as aforesaid shall be valid and effective as if contained in these presents.
 - (c) The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a mortgage Director/s and the Director/s. If appointed as aforesaid under the provisions of debenture trust deed shall be called Debenture Director. The words Mortgage Director or Debenture Director shall mean the Mortgage Director or Debenture Director for the time being in office. The Mortgage Director or debenture director shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond trust deed or contract may contain such auxiliary provisions as may be arranged between the company and mortgage lender, the trustee, or contracting party as the case may be and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.

COMMON SEAL

83. The Board shall provide a common seal of the company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the registered office of the company and committed to the custody of the director.

AFFIXTURE OF COMMON SEAL

84. The seal shall not be affixed to any instrument except by authority of a resolution of the Board of Committee, unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the company, be signed by two directors, in whose presence the seal shall have been affixed and counter signed by the Secretary or such other person as may from time to time be authorized by the Board, and provide nevertheless that any instrument bearing the seal binding on the Company notwithstanding any irregularity touching the authority to issue the same, provided also the counter signature of the Managing Director or whole-time Director and signed by him on behalf of the company.

ACCOUNTS

- 85. (a) The Board shall cause proper books of account 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 on all sales and purchases of goods by the company and of the assets and liabilities of the company.
 - (b) All the aforesaid books shall give a fair and true view of the affairs of the company or of its branch, as the case may be, with respect to the matters aforesaid, and explained its transaction.
 - (c) The books of account shall be open to inspection by any Director during business hours.

INSPECTION OF BOOKS OF ACCOUNT

86. 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 of books or documents of the company except as conferred by statute or authorized by the Board by a resolution of the Company in General Meeting.

ANNUAL ACCOUNTS

87. 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 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.

BALANCE SHEET & PROFIT AND LOSS ACCOUNT

88. 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 form set out in parts 1 and 11 respectively of Schedule VI of the Act, or as near thereto as circumstances admit.

AUTHENTICATION OF BALANCE SHEET

89. Subject to section 215 of the Act, every Balance sheet and profit & Loss account of the company shall be signed on behalf of the Board by not less than 2 directors. The Balance sheet and the Profit & Loss Account shall be approved by the auditors 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 or their reports thereon.

PROFIT & LOSS ACCOUNT

90. The Profit & Loss Account shall be annexed to the Balance Sheet and the Auditors Report shall be attached thereto.

BOARD'S REPORT TO BE ATTACHED TO BALANCE SHEET

91. 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 purposes to carry to any Reserves either in such Balance sheet or in a subsequent Balance Sheet and the amount if any, where it recommends to be paid by way of dividend. 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 any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the company's business in the Company's Subsidiaries or in the nature of the business carried on by them, and generally in the classes 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 or report.

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.

The Board's report shall also include a Director's Responsibility statement as prescribed in section 217(2AA) of the Companies Act, 1956 and shall also contain other information and particulars as required by the Companies Act.

The Board's report, and addendum if any thereto shall be signed by its chairman if he is authorized in that behalf by the board and where he is not authorized, shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit & loss account of the Company.

RIGHT OF MEMBERS TO COPIES TO BALANCE SHEET & AUDITOR'S REPORT

92. The company shall comply with the requirements of section 219.

ANNUAL RETURN

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

ACCOUNT TO BE AUDITED

- 94. (a) Every balance sheet and Profit and Loss Account shall be audited by one or more auditors to be appointed as hereinafter mentioned.
 - (b) The company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of the meeting until the conclusion of the next Annual General Meeting and shall comply with the provision of section 224 and 224 (3) of the Act in relation to the said appointment and shall within seven days of the appointment give intimation thereof to every auditor so appointed unless he is a retiring auditor.

AUDIT OF BRANCH

95. The company shall comply with the provisions of section 288 of the Act in relation to the audit of the Accounts of branch offices of the Company.

REMUNERATION OF AUDITORS

96. The remuneration of the auditors shall be fixed by the company in general meetings except that the remuneration of any auditors appointed to fit any casual vacancy may be fixed by the Board.

RIGHTS AND DUTIES OF AUDITORS

- 97. (a) Every Auditor of the Company shall have a right to 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.
 - (b) All notices and other communications relating to any general meeting of the company which any member of the company is entitled to have sent to him, shall also be forwarded to the auditor, and the auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends any part of the business, which concern him as auditor.
 - (c) 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 documents declared by the Act to be part of annexed to Balance Sheet or Profit and Loss Account, which are laid before the company 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 information's required by the Act in the manner so required, and give a true and fair view in the case of the Balance sheet of the state of the company's affairs as at the end for the Financial Year, as in the case of Profit & Loss Account of the profit and loss for its financial year.
 - (d) The Auditor's report shall also state:
 - 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.
 - ii. Whether in his opinion books of account as required by law have been kept by the company so far as appears from the his examination of those books, and proper returns adequate for the purpose 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 288 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.
 - iii. Whether the Balance sheet and Profit & Loss Account dealt within the report are in the agreement with the books of account arid returns.
 - iv. Whether, in his opinion, the profit and loss account and balance sheet comply with the accounting standards referred to section 211 (3C) of the Companies Act.
 - v. In thick type or in italics the observations or comments of the auditors which have any adverse effect on the functioning of the company.
 - vi. Whether any director is disqualified from being appointed as director under section 274(1)(g) of the Companies Act, 1956.

- vii. Where any of the matters referred to in clauses (i) and (ii) of section 227 (2) or in clauses (a), (b), (bb), (c) and (d) of Section 227(3) is answered in the negative or with a qualification, the auditor's report shall state the reasons for the answer.
- (e) Auditor's Report shall be read before the company in general meeting and shall be open to inspection by any member of the company.

SERVICE OF DOCUMENTS AND NOTICES

98. A document may be served on the company or any office 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 leaving it at the Registered Office.

HOW DOCUMENT TO BE SERVED ON MEMBERS

- 99. (a) A document (which expression for this purpose shall include any summons, notices, requisitions, process, order, judgment or any other document in relation to or in the winding up of the company) 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 if any within India supplied by him to the Company for giving of notices to him.
 - (b) All notices shall with respect to any registered shares to which persons are entitled jointly, be given shall be sufficient notices to at the holders of such shares.
 - (c) Where a document is sent by post,
 - i. Service there 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 acknowledgement due and has deposited with the Company a sum sufficient to defray the expense 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.
 - a) The notice posted and in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing such instruction.
 - b) In any other case at the time at which the letter would be delivered in the ordinary course of post.

MEMBERS TO NOTIFY ADDRESS IN INDIA

100. Each registered holder of share shall from time to time notify in writing 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.

SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS IN INDIA

101. If a member has no registered address in India and has not supplied to having no registered address to the company an address within India for giving of notices to him, a document advertised in newspaper, circulating the neighborhood of the registered office of the company shall be deemed to be duly served on him on the day which the advertisement appears.

SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

102. A document may be served by the company to the person 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) by serving the document in any manner in which the same might been served if the death or insolvency had not occurred.

NOTICE VALID THOUGH MEMBER DECEASED

- 103. 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 deceased and whether or not the company have notice of his deceased 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 instead as holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors and administrators and all their persons, if any jointly interested with him or her in any such share.
- 104. Subject to the provisions of the Act and these Articles notice of General Meeting shall be given:
 - a) To the members of the Company as provided by these Articles or as authorized by the Act
 - b) To the persons entitled to a share in consequence of the death or insolvency of a member as provided in these articles or as authorized by the Act.
 - c) To the auditors for the time being, of the Company in any manner authorized by the Act.

ADVERTISEMENT

105. Subject to the provisions 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/or by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the registered office of the company is situated.

TRANSFERENCE ETC. BOUND BY PRIOR NOTICE

106. Every person who by operation of transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from who he derives his title to such share or stock.

MEMBERS BOUND ON DOCUMENT GIVEN TO PREVIOUS ADDRESS

107. 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 persons from whom he derived his title to the share.

HOW NOTICE TO BE SIGNED

108. Any notice to be given by the company shall be signed by the Managing director/whole-time director or by such director or officer as the directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

AUTHENTICATION OF DOCUMENTS

109. Authentication of documents and proceedings save as otherwise expressly provided in the Act of these Articles, a document of proceedings requiring authentication by the company may be signed by a Managing director or an authorized officer of the company and need not be under its seal.

WINDING UP

110. Subject to the provisions of the Act as to preferential payments, 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 interests in the Company. If the company shall be would up whether voluntarily or otherwise the liquidates may with the sanction of a special resolution, divide among the contributors in specific or kind, any part of the assets of the company and may with the like sanction vest and part of the assets of the company in trustees upon such trusts for the benefit of the contributors or any of them, as the liquidators with the like sanction shall think fit. In case any share 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 (10) ten days after passing of the Special Resolution by notice in writing, the director liquidates to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable act accordingly.

INDEMNITY AND RESPONSIBILITY OF DIRECTORS AND OTHER RIGHT TO INDEMNITY

- 111. Subject to the provision 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 the Funds of the company to pay all costs, losses and expenses (including traveling expenses) which any such Director, officer or employee may incur or become liable to by reason or any contract entered into or act or deed done by him or in any other way in the discharge of his duties as Director, officer or employee.
- Subject as aforesaid every Director, manager, secretary, or other officer or employee of 112. the company shall be indemnified against any liability incurred by them in defending any proceedings whether civil or criminal in which judgment is given in their or his favour or in which 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 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 directors for filling 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 reasons of his office as a Director or other office of the Company. Subject to the provisions of section 201 of the act, no Director or other officer of the company shall he liable for the acts, receipts neglects or defaults of any other director or officer, or for joining in any receipt or other act for conformity or any loss or expense happening to the company through insufficiency or deficiency of title to any property acquired by order of the director(s) for or on behalf of the company, or for the insufficiency or deficiency of any security, in or upon which any of the moneys of the company shall be invested, or for any loss or damages arising from the bankruptcy insolvency or tortuous act of any person. Company or corporation with whom any moneys, securities or effects shall be entrusted; or deposited or for any loss occasioned by any error judgment or over-sight 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.

SECRECY CLAUSE

- 113. Every Director, Secretary, manager, Auditor, Trustee for the company, its members of debenture holders, member of a committee, officer, servant, agent, accountant or other person employed in his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the board or by any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.
- 114. No Shareholders or other person not being a director shall be entitled to enter into or upon the premises or the property of the company or to inspect the company's premise or properties or the books of account of the company except to the extent allowed under the Act and subject to such reasonable restrictions as the company in General Meeting or the Board may impose in this behalf from time to time without the permission of the Board or the Chairman/Managing director for the time being, or require the discovery of or any information respecting any detail of the company's trading or any matter whatsoever which is or may be in the nature of the trade secret, mystery of trade or secret, purpose or of any matter whatsoever which may relate to the conduct of the business of the company, and which, in the opinion of the Board/Chairman or of the Managing director will be inexpedient, in the interests of the members of the company, to communicate.