

THE COMPANIES ACT, 1956  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF

**BOMBAY TALKIES LIMITED**

**I. PRELIMINARY**

1. The regulations contained in Table A in Schedule 1 of the Companies Act, 1956, shall not apply so far as hereinafter expressed.

2. In these Articles :

Unless the context otherwise requires.

i) The Company or this Company means **Bombay Talkies Limited.**

ii) The words or expressions contained in the Articles shall bear the same meaning as in the Act.

iii) "The Act" means the Companies Act, 1956, or any statutory modification thereof and "Section" shall mean a Section of the said Act.

iv) "The Seal" means the Common Seal of the Company.

v) "Office" means the Registered Office of the Company.

vi) Words importing singular shall include plural and vice versa and words importing the masculine gender shall include females and the words importing persons shall include body corporate.

vii) "Month" and "Year" mean a calendar month and a calendar year respectively.

viii) Expressions referring to "Writing" shall be constructed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.

ix) "The Register" means the register of members to be kept pursuant to the Act.

**II. CAPITAL**

3. The Authorised Share Capital of the Company is Rs. 5,40,00,000/- (Rupees Five Crores Forty Lakhs Only) divided into 54000000 equity shares of Rs. 1/- each (Rupees One Only).

- The Authorised Share Capital has been increased from Rs. 1,00,00,000/- (Rupees One Crore Only) to Rs. 5,40,00,000/- (Rupees Five Crore Forty Lakhs Only) and sub-division of the nominal face value of Rs. 10/- (Rupees Ten Only) per share into Rs. 1/- (Rupees One Only) per share, by passing the resolution at the Extra Ordinary General Meeting held on 6<sup>th</sup> August, 2002.

4. The Company shall have the power to increase or reduce the capital for the time being of the Company and to divide the shares in the capital into several classes with rights, privileges or conditions as may be determined. The Company may issue preference shares which shall, or at the option of the Company shall be liable to be redeemed.

### III. SHARES

5. The shares shall be under the control of the Board who subject to provisions of the Act may classify, allot or otherwise dispose of the same to such persons or such terms and conditions and either at a premium or at par or at a discount and at such time as the Board thinks fit and with full power to call for the allotment of any share either at par or at a premium or at a discount and for such time and for such consideration as the Directors may think fit, provided that no option or right to call of shares shall be given to any person except the sanction of the Company in general meeting.

### IV. PAYMENT OF COMMISSION AND BROKERAGE

6. (1) The Company may exercise the powers of paying commissions conferred by Section 76, provided that the rate, percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section.
- (2) The Rate of the commission shall not exceed the rate of 5% of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% of such price, as the case may be and in case of debentures two and half percent of the price at which debentures are issued.
- (3) The commission may be satisfied by the payment of cash or the allotment of fully or partially paid shares or debentures or partly in one way and partly in other.
- (4) The Company may also pay such brokerage as may be lawful on any issue of shares or debentures.

### V. TRUSTEES NOT RECOGNISED

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

## VI. MODIFICATION OF RIGHTS

8. (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (inless otherwise provided by the terms of issue of shares of that class) may subject to the provisions of sections 106 and 107 and whether or not Company is being wound up, be varied with the consent in writing of the holders of three-fourth of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (2) To every such separate 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 representative by proxy, one third of the issued shares of the class in questions.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu herewith.

## VII. SHARE CERTIFICATE

10. The certificate or title to the shares shall be issued under the seal of Company in the manner prescribed in that behalf under the rules framed under the Act.
11. Every member shall be entitled to one certificate for the shares registered in his name or if the Board so approves, upon paying such fees as the Board from time to time determinates to several certificates, for one or more of such shares.
12. The certificate of shares registered in the name of two or more persons may be delivered to any one of several joint holders named in the register and this shall form a sufficient delivery to all such holders. The Company shall not bound to register more than four persons as the joint holders of any shares.
13. If any certificate is worn out or defaced, then upon production thereof to the Board it may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof to the satisfaction of the Board and on such indemnity as the Board deems adequate being given, a new certificate in lieu thereof will be given to the party entitled to such lost or destroyed certificate. The Company shall also be paid all out of pocket expenses incurred in investigalling evidence of loss.

## VIII. CALLS

14. Subject to the provisions to the Act, the Board may from time to time make such calls on uniform basis as it thinks fit, upon the members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of



premium) hold by them and not by conditions of allotments thereof made payable at fixed time and each such member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board. A call may be made payable by installments.

15. The joint holders of the shares shall severally as well as jointly be liable for payment of all installments and calls due in respect of such shares.

16. (1) A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed unless the same is expressly made effective on any other date under such resolution.

(2) Not less than 14 Day's notice of any call shall be given specifying the place and time of payment and to whom such call shall be paid provided that Board may subject to Section 91 of the Act by notice in writing to a member, revoke the call or extend the time for payment thereof.

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

18. 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 at the rate of 12 percent per annum (or at such other rate as the Board may determine) from the day appointed for the payment thereof to the time of actual payment but the Board shall be at liberty to waive payment of the interest wholly or in part.

19. The Board may revive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the money so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made. The Company may pay interest at such rate not exceeding 12 percent per annum or as the member paying such sum in advance and the Directors agree upon. Money so paid in excess of the amount of calls shall not rank for dividends or participate in the profits of the Company. Money so paid in excess of the amount of calls until appropriated towards satisfaction of any calls shall be re-payable at any time if the Directors so decide.

## IX. FORFEITURE

20. If any member fails to pay the whole or any part of any call, or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment or other money remains unpaid serve a notice on such member or on the persons (if any) entitled the share by transmission, requiring him to pay the same together with any interest that may have occurred and all the expenses that may have been incurred by the Company by reason of such non-payment.

21. The notice shall name a day (not being less than 14 days from the date of notice) and a place on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the share in respect of which such call was made or instalment is payable will be liable to forfeiture.

22. If the requirement of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may at any time thereafter, before payments of calls or instalment, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect and the forfeiture shall be recorded in the Directors' minute book. Such forfeiture shall include all dividends decided in respect of forfeited shares and not actually paid before the forfeiture.

23. When any shares shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and entry of the forfeiture with date thereof shall forth-with be made in the register of the member.

24. Any shares so forfeited shall be deemed to be the property of the company and the Directors may sell, reallocate or otherwise dispose of the same in such manner as they think fit. The Board may, at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed off, annul the forfeiture thereon upon such conditions as it thinks fit.

25. Any member whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all calls, installments, interests and expenses owing upon or in respect of such shares at the date of the forfeiture, together with interest thereon from the time of forfeiture until payment at the rate of 12 percent per annum and the Directors may enforce the payment thereof, if they think fit.

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

27. A duly certified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have duly been forfeited on a date stated in the declaration shall be conclusive evidence of the fact therein stated as against all persons claiming to be entitled to the share and such declaration and the receipt of the company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the person to whom the shares are sold shall be registered as holder thereof and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity of the proceeding in reference to such forfeiture, sale or disposition.

## X. LIEN ON SHARES

28. The Company shall have a first and paramount lien upon all 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 a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing the condition the Article 7 hereof will have full effect. Unless otherwise agreed the registration of a transfer shall operate as a waiver of the company's lien of 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.

29. No member shall exercise any voting right in respect of any shares registered in his name on which any call or other sums, presently payable by him, have not been paid or in regard to which the Company has exercised any right of lien.

30. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien.

Provided that no sale shall be made :-

a) Unless a sum in respect of which the lien exists is partly payable : or

b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

31. The net proceeds of any such sale shall be applied in or towards satisfaction of the debts, liabilities or engagements of such member, his executors, administrators or representatives and the share before the sale, be paid to the person entitled to the share at the sale.



32. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given the Directors by cause the purchaser's name to be entered in the register of members in respect of the shares sold, and the purchaser shall not be bound so see too 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 invalidity of the same shall not be impeached by any persons, and the remedy of any person aggrieved by the sale shall be in damages only.

## XI. TRANSFER

33. Save as provided in Section 108 of the Act, no transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company with the certificate or if no such certificate is in existence, the Letter or Allotment of the shares. The instrument of transfer of any shares in or debentures of the Company shall specify, the name, fathers/husbands name, address, occupation, of the transferee. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register of members. Each signature to such transfer shall be duly attested by the signature of one witness who shall and his address and occupation.

34. Application for the registration of the transfer of a share may be made either by, the transferor or the transferee. Where such application is made by the transferor and relates to a partly paid share, no registration shall be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act. Subject to the provisions of Articles hereof, if the transferee makes no objection within two weeks from the date of receipt of the notice the Company shall enter in the register of member the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

35. Before registering any transfer tendered for registration the Company may, if think fit, give notice by letter posted in the ordinary course to the registered holder, that such transfer-deed has been lodged and that unless objection is made the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within ten days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder the Company shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder or any notice shall not entitle him to make any claim of any kind against the Company or Board in respect of such non-receipt.

36. Neither the Company nor its Board shall incur any liability for registering or effecting a share transfer of shares apparently made by competent parties.

notice that such instrument of transfer was signed or executed and delivered by the transferor in blanks as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. In every such case the person registered as transferee, his executors, administrators or assigns alone shall be entitled to be recognised as the holder of such share or debentures shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

37. Transfer shall not be made to minor or person of unsound mind through his legal guardian.

38. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the shares or if no such certificate is in existence, by the letter of Allotment of the shares. It shall not be transferred and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the shares, the transferee shall (subject to the right of the Board to decline to register hereinafter mentioned) be registered as a member in respect of such shares. The Board may waive the production of any certificate upon evidence satisfactory to it of loss or destruction.

39. All instrument of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the board may decline to register shall be returned to the person depositing the same.

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

40. The Board may decline to recognise any instruments of transfer if:-

- (a) The instrument of transfer is not accompanied by the certificate of shares which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor.
- (b) The instrument of transfer is in respect of more than one class of Shares;
- (c) It is for transfer of any Share on which the Company has a lien.

41. The registration of transfers may be suspended after giving due notice at such times and for such periods as the board may from time to time determine; provided that such registrations shall not be suspended for more than forty-five days in a year and not exceeding thirty days at any one time.

42. Shares in the company shall be transferred in the form for the time being prescribed under the rules framed under the Act.



## XII. TRANSMISSION

43. The executors or administrators or holder of a succession certificate in respect of Shares of a deceased member (not being one of several joint holders) shall be the only person whom the company shall recognise as having any title to the shares registered in the name of such member, and, in case of death of any one or more of the joint holders of any registered shares, the survivor shall be the only person recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator or legal heir the Board may require him to obtain a grant of probate or letter of administration or succession certificate or other legal representation as the case may be, from a competent court.

Provided also that the holder of a succession certificate shall not be entitled to receive any dividends already declared but not paid to the deceased member unless the succession certificate declares that holder thereof is entitled to receive such dividends.

44. Any person becoming entitled to a share in consequence of the death, lunacy or insolvency of a member may, upon producing such evidence of his title as the Board think sufficient, be registered as a member in respect of such share; or may, subject to the regulations as to transfer herein before contained, transfer such shares.

45. A person becoming entitled to a share by reason of the death or insolvency 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, except that he shall not before being registered as a member in respect of the share, 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, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

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

### XIII. ALTERATION IN CAPITAL

48. The Company in general meeting may -

- (a) Increase its authorised share capital by such amount as it thinks expedient by creating new shares.
- (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (c) Cancel any shares which, at the date of passing resolution, have not been taken or agreed to be taken by any person and diminish the amount of its capital by the amount of the shares so cancelled.
- (d) Subdivide its shares or any part of them into shares of similar amount than is fixed by the Memorandum of Association subject to the provisions of SECTION 94(1) (d) of the Act.
- (e) Reduce its Capital in any manner authorised by Section 100 of the Act.

The powers conferred by this Article may be exercised by an ordinary resolution, except in the case of reduction of capital when the exercise of the power in that behalf shall be by a special resolution. The Company shall give due notice to the Registrar of any such alteration in capital.

### XIV. STOCKS

49. The Company in general Meeting may convert any paid up shares into stock and re-convert any stock into paid up shares of any denominations.

50. When any share has been converted into stock the holders of such stock may, henceforth, transfer their respective interest therein or any part of such interests in the same manner and subject to the same regulations, as would have applied to the transfer of the shares from which the stock arose or as near thereto as circumstances would admit. The Board may, from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

51. The holders of stocks shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividend and profits of the Company) shall be conferred by any such part of stock as would not, if existing in shares, have conferred that privilege or advantage.

52. Such of the Articles of the Company (other than those relating to share warrants), as are applicable to paid up shares shall apply to stock, and the words "share"



and "shareholder" therein shall include "stock" and "stockholder" respectively.

#### XV. SHARE WARRANTS.

53. The company may issue share warrants subject to and in accordance with the provisions of section 114 and 115 and accordingly the Board may in its discretion, with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue share warrant.

54. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of the members as holder of the share included in the deposited warrant.

(2) Not more than one person shall be recognised as depositor of the share warrant.

(3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.

55. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

(2) The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he were named in the register of members as the holder of shares included in the warrant, and he shall be a member of the Company.

56. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be used by way of renewal in case of defacement, loss or destruction.

#### XVI. GENERAL MEETINGS.

57. All general meetings other than the annual general meetings shall be called "extra-ordinary meetings."

58. (1) The Board may



...different in number from a quorum, any Director of the Company may call an extra-ordinary general meeting in the same manner or as nearly as possible, as that in which such a meeting may be called by the Board.

## XVII. PROCEEDINGS AT GENERAL MEETINGS

59. (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(2) Save as herein otherwise provided live members present in person shall be a quorum.

60. The chairman, if any, of the Board shall preside as chairman at every general meeting of the Company.

61. If there is no such chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman of the meeting the Directors present shall elect one of their members to be the chairman of the meeting.

62. If at any meeting no Director is willing to act as chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be the chairman of the meeting.

63. (1) The chairman may with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

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

64. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a second poll or casting vote.

65. Any business other than, that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

## XVIII. VOTES OF MEMBER

66. Subject to any rights or restrictions for the time being attached to any class or classes of shares,

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54. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of the members as holder of the share included in the deposited warrant.

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(3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.

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

64. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a second poll or casting vote.

65. Any business other than, that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

## XVIII. VOTES OF MEMBER

66. Subject to any rights or restrictions for the time being attached to any class or classes of shares.



(a) On show of hands, every member present in person shall have, one vote and.

(b) On a poll, the voting rights of members shall be laid down in Section 87.

67. In case of joint-holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the joint-holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

68. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll, by his committee or legal guardian, and any such committee or guardian may on a poll vote by proxy.

69. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

70. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

(2) Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

71. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

72. An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances admit.

73. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## XIX. DIRECTORS

74. The persons hereinafter named shall be the Directors of the Company.

1. Sri. Sanjeev S. Agarwal.
2. Sri. S.K. Jajodia.
3. Sri R. K. Modi.

75. Unless otherwise determined by the Company in General Meeting, number of Directors shall not be less than three and more than twelve inclusive of nominee directors.

76. Unless otherwise determined by the Company in General Meeting a Director shall not be required to hold any qualification shares.

77. (1) Remuneration of Directors shall be a fee not exceeding Rs. 250/- for each Director for each meeting of Board of Directors attended by him and in addition, subject to the provisions of Section 309 and 314, all the Directors may receive a commission upto three percent (3%) on the net profits of the Company as computed under the provisions of the Companies Act, 1956 and such commission shall be divided amongst them equally or as the Directors may determine. The Directors may waive or reduce their fee for any meeting or period.

(2) Any Director performing extra services or making any special exertion for any of the purposes of the Company or who is a managing or whole time Director, may be paid such fixed sum or remuneration either by way of monthly payment or at a specified percentage of profit or in any other manner as the Company may determine, subject to the provisions of Section 314 of the Act.

(3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(4) In addition to the remuneration payable to them in pursuance of the Articles the Directors may be paid all travelling, hotel and other expenses properly incurred by them.

a) In attending and returning from meeting of the Board of Directors or any committee thereof.

or

b) In connection with the business of the Company.

78. The Board may pay all expenses incurred in registering the Company.

79. The Company may exercise the powers conferred on it by Section 157 and 158 with regard to keeping of a foreign register; and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think, respecting the keeping



of any such register.

80. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by the Managing Director or by such person and in such manner as the Company in General meeting or the Board shall from time to time determine by resolution.

81. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

82. (1) The Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

(2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

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

(2) The Board may appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three months from the state in which meetings of the Boards are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to notice of meeting and to attend and vote thereat accordingly; but he shall "ipso facto" vacate office, if and when the absent Director returns to the state in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

84. If it is provided by any agreement deed or other documents securing or otherwise in connection with any loan taken by the Company or in connection with taking of any shares by any person that any such person or persons shall have power to nominate one or more Directors on the Board of Directors of the Company then and in case of taking of such loan or shares or entering into such agreement the person or persons having such power may exercise his power from time to time and appoint one or more Directors accordingly. Such Director may be removed from office at any time by the person or persons in whom the power under which he was appointed is vested and another Director may be appointed in his place but while holding such office he shall not be liable to retire by rotation nor hold any qualification shares, if there be any.

#### XX. PROCEEDING OF BOARD

85. (1) The Board of directors may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, subject to the provisions of



- (2) A Director may, and Manager or Secretary on the requisition of a Director shall at any time, summon a meeting of the Board.

86. (1) Save as otherwise expressly provided in the Act, Questions arising at any meeting of the Board shall be decided by a majority of votes.

- (2) In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

- (3) The quorum of the Board meeting shall be 2 (two) or 1/3rd of the total strength of directors whichever is higher.

87. The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a general meeting of the Company, but for no other purpose.

- 88. (1) The Board may elect a Chairman of its meetings and determine the period for which he is to hold office.

- (2) If no such Chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, The Directors present may choose one of their member to be chairman of the meeting.

89. (1) The Board may subject to the provisions of the Act, delegate any of its powers to a committee consisting of such a member or members of its body as it thinks fit.

- (2) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

90. (1) A committee may elect a chairman of its meetings.

- (2) If no such Chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, The Directors present may choose one of their member to be chairman of the meeting.

91. (1) A committee may meet and adjourn as it thinks proper.

- (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, The chairman shall have a second or casting vote.

92. The acts done by any meeting of the Board or a committee thereof or by any person acting as a Director, shall not withstanding that it may be afterwards discovered that there was some defect in the appointment any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

93. Save as otherwise expressly provided in the Act, a resolution in writing, signed by the members of the Board or of a committee thereof, in accordance with the provisions of Section 289 shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

## XXI. POWERS OF DIRECTORS

94. Subject to 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 which the Company is authorised to exercise and 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 that in exercising such powers or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles, or in any regulations made or to be made in general meeting and no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

95. Subject to and in accordance with the provisions with the act the Board shall employ such staff as may be necessary for carrying on the business of the Company. The salary or other remuneration of such staff shall be defrayed by the Company, and all or any such staff be engaged exclusively for the Company or jointly with other concerns.

## XXII. BORROWING POWERS

- (1) The Board may from time to time at its discretion, subject to the provisions of the Acts, raise or borrow, either from the Directors or from elsewhere and secure the payments of any sum or sums of money for the purposes of the Company.
- (2) The Board may raise or secure the re-payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds perpetual or redeemable debentures or debenture stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including the uncalled capital for the time being.

97. If any uncalled capital of the Company is included in or charged by the mortgage or other security the Board may by instrument under the Company's seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to collect money in respect of calls made by the Board of members in respect of such uncalled capital and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls made under such authority; and such authority may be made exercisable either conditionally or unconditionally, either presently or contingently and either to the exclusion of the Director's powers or otherwise and shall be assignable if expressed so to be.

98. Debentures, debenture stock, bonds and other securities may be made assignable, free from any equities, between the Company and the persons to whom the same may be issued.

99. Subject to the provisions of the Act any debenture, bonds or other securities may be issued by the Company at a discount, premium or otherwise, with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors or otherwise debentures and bonds with right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting and in compliance of the provisions of the Act.

### XXIII. MANAGING DIRECTOR, MANAGER OR SECRETARY ETC.

100. Subject to the provisions of the Companies Act, 1956. The Directors may, at any time, appoint one or more Directors as Managing Director or whole time Director on such remuneration, term and conditions as may be decided by them in such meeting. A whole time Director or Managing Director shall not be liable to retire by rotation.

101. Subject to the provisions of the Act a Manager or Secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may fit, and Manager or Secretary so appointed may be removed by the Board.

102. A Director may be appointed as Manager or Secretary, subject to the provisions of Section 314 and 303(A) and rules made thereunder.

103. A provision of the Act or these Articles requiring or authorising a thing to be done by a Director and the Manager or Secretary shall not be satisfied by its being done by a same person acting both as Director and as, or in place of the Manager or Secretary.

### XXIV. THE SEAL

104.(1) The Board shall provide for the safe custody of The Seal.

(2) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one



We, the several persons whose names and addresses are subscribed below are desirous being formed into company in pursuance of these 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.

Signatures, Names, Address, descriptions and Occupations of Subscribers.	Number of Shares taken by each Subscriber.	Signature Of Subscribers	Signature, Name, Address, description and Occupation of Witness.
1. Nand Kishore Lohia, S/O. Lal Chand Lohia, B-1, Ansa Industrial Estate, Bombay - 72. Business.	10 (Ten)	SD/-	
2. Saryou Prasad Sinha, S/O. Jagdish Prasad Sinha, 342, Kalbadevi Road, Bombay - 2. Business.	10 (Ten)	SD/-	
3. Kaniya Lal Sarda, S/O. Sitaram Sarda, 210, Kalbadevi Road, Bombay - 2. Business.	10 (Ten)	SD/-	
4. Radha Kishan Gupta, S/O. Banwarilal Gupta, 141/145 Chakla Street, Bombay - 3. Service.	10 (Ten)	SD/-	Witness for all (Seven) Signatories.  Shyam Sunder Mundhra, S/O. Kishan Lal Mundhra, 320, Kalbadevi Road, Bombay - 2. Business.
5. Mr. Bonwar Lal Mundhra, S/O. Gouri Shankar Mundhra, 205, Rupal Apartments, Bombay - 64. Business.	10 (Ten)	SD/-	
6. Mohan Lal Rathi, S/O. Kaniya Lal Rathi, 332, Kalbadevi Road, Bombay - 2. Service.	10 (Ten)	SD/-	
Radhe Shyam Agarwal, S/O. Om Prakash Agarwal, 141/145, Chakla Street, Bombay - 3. Service.	10 (Ten)	SD/-	
<b>TOTAL</b>	<b>70 (Seventy)</b>		

Bombay.

Date: 4/11/1961