

COMPANY LIMITED BY SHARES

Articles of Association

OF

KARAM CHAND THAPAR & BROS. (Coal Sales) LTD.

(Adopted by Special Resolution passed at the Extra-Ordinary
General Meeting of the Company held on 29.3.56)

PRELIMINARY

1. The Regulations contained in Table "A" of the Companies Act I of 1956 shall not apply to this Company save and except so far as such Regulations are embodied in these Articles.

Table A not to apply save and except certain provisions contained therein.

2. In these Regulations, unless the context otherwise requires, the marginal notes hereto shall not affect the construction hereof and in these Articles expressions defined in the Companies Act I of 1956 or any statutory modification thereof in force at the date on which these regulations become binding on the Company, shall have the meaning so defined :—

Interpretation Article.

"The Company" means KARAM CHAND THAPAR & BROS. (Coal Sales) LIMITED, established under the Memorandum of Association to which these Articles are annexed.

"The Act" or "The Statute" shall include the Companies Act I of 1956, all statutory modifications thereof and any Act or Acts substituted therefor ; and in case of any such substitution the references in these Articles to the provisions of the then non-existing Acts shall be read as referring to the provisions substituted therefor in the new Act or Acts.

"The Register" shall mean the Register of Members to be kept as required by Section 150 of the Act.

"These Presents" shall mean and include both the Memorandum of Association and these Articles of Association from time to time in force.

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"Month" shall mean calendar month according to the English style.

"Paid up" shall include "Credited as paid up".

"Dividend shall include bonus.

"Proxy" shall include Attorney duly constituted under a Power-of-Attorney.

"Capital shall mean the capital for the time being raised or authorised to be raised for the purposes of the Company.

"The Managing Director" shall mean the Managing Director for the time being of the Company.

"Ordinary Resolution", "Special Resolution", Extraordinary Resolution" and "Resolution requiring special notice" shall have the meanings assigned thereto respectively by the Act.

The Manager means an individual (not being the Managing Agent), who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of the Company, and includes a Director or any other person occupying the position of a manager, by whatever name called, and whether under a contract of service or not.

"The Office" or "The Head Office" shall mean the Registered Office for the time being of the Company.

"The Registrar" shall mean a Registrar or Assistant Registrar performing under the Indian Companies Act, the duty of Registration of Companies in Calcutta.

"The Court" shall mean the High Court of Judicature at Calcutta.

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"Directors" shall mean the Directors for the time being of the Company, or, as the case may be, the Directors assembled at a Board.

"Board" shall mean a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at the Board.

"Equity Share Capital" means all Share Capital which is not Preference Share Capital.

"Persons" shall include firms and corporations as well as individuals.

"Seal" shall mean the Common Seal for the time being of the Company.

"In Writing" or "Written" shall include printed, lithographed and typewritten and other modes of representing words or representing words in a visible form.

Words importing the singular number also include the plural number and *vice versa*.

Words importing the masculine gender also include the feminine gender.

Subject as aforesaid any words or expression defined in the Act or other Statutes shall except where the subject or context forbids bear the same meaning in these Articles. A reference to any particular section of the Act shall mean reference to the said section or any statutory modification thereof for the time being in force.

3. The Company shall have its Registered Office at Calcutta in the State of West Bengal, or at such other place as the Directors may from time to time determine.

Situation of
Office

No Shareholders to enter premises of the Company or inspect books without permission.

4. No Shareholder or other person shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books or accounts of the Company without the permission of the Directors or the Managing Director for the time being, or to require discovery of or any information respecting any detail of the Company's trading or any matter which is, or may be in the nature of a trade secret mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors, or the Managing Agents it will be inexpedient in the interest of the Members of the Company to communicate.

Company not to deal in its own shares.

5. No part of the funds of the Company shall except by way of reduction of capital confirmed by the Court, be employed in the purchase of or in loans upon the security of the Company's shares.

Commission for placing shares.

6. In addition to the payment of any reasonable sums as brokerage the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscription (whether absolutely or conditionally) for any shares in the Company but so that (if the commission shall be paid or payable out of capital) the commission shall not exceed 2½ per cent on the value of shares in each case subscribed or agreed to be subscribed and that in the case of shares offered to the public for subscription the actual amount or rate per cent of the commission paid or agreed to be paid shall be disclosed in the prospectus and in the case of shares not offered to the public for subscription the said actual amount or rate per cent shall be disclosed in the statement in lieu of prospectus or in a statement signed in like manner as a statement in lieu or prospectus and filed with the Registrar and where a circular or notice not being a prospectus inviting subscription for the shares is issued also disclosed in the circular or notice.

7. The Company shall have power to issue Preference Shares carrying a right to redemption out of profits or out of the proceeds of fresh issue of shares made for the purpose of such redemption, such shares shall be liable to be so redeemed at the option of the Company, and the Directors may subject to the provisions of Section 80 of the Act, exercise such power in any manner they think fit.

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CAPITAL

* 8. The Authorised Share Capital of the Company is now Rs. 3,00,00,000/- divided into 3,00,000 Ordinary Shares of Rs. 100/- each. Capital.

ALLOTMENT OF SHARES AND SHARE CERTIFICATES

9. Subject to the provisions of Articles 6, 71 and 72 hereof and of the Act the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as they think fit and with full power to give to any person the right to call for the allotment of any shares either at par or at a premium for such time and for such consideration as the Directors may deem fit. Allotment of shares.

10. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of the shares within the meaning of these articles ; and every person who thus or otherwise accepts any shares and whose name is on the register of members of the Company shall for the purpose of these Articles be deemed to be a member. Acceptance of shares.

11. The moneys, if any, which the Directors shall on the allotment of any shares made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the insertion or inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable as such, by the Company from the allottee thereof and shall be paid by him accordingly. Deposit and calls to be debts payable immediately.

12. The Directors may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls. Defference in amounts paid on shares.

13. As regards all allotments from time to time made the Directors shall duly comply with Section 69 to 75 of the Act. Return of allotments.

14. Save as herein otherwise provided the Company shall be entitled to treat the person whose name appears upon the register in respect of any shares as the absolute owner thereof and shall not, except as ordered by a Court of competent jurisdiction or as by Law required, be under any obligation to recognise any trust *benami* or Trusts not recognised.

* Authorised Share Capital was increased from Rs. 3,00,00,000/- to Rs. 5,00,00,000/- as per Special Resolution dated 29.5.98

equitable, contingent or any other claim to interest (further or partial) in such share on the part of any other person whether or not it shall have express or other notice thereof.

Registered address.

15. Every member shall from time to time notify in writing to the Company a place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

Notice of change of name of member.

16. No member, who shall change his name, shall be entitled to recover any dividend or to vote, until the notice of the change of name be duly given to the Company and all formalities in that connection completed as required by the Directors of the Company in order that such change may be registered in the books of the Company.

Who may be members.

17. Shares may be registered in the name of any limited Company or other corporate body. Not more than four persons shall be registered as joint holders of any share.

Certificates.

18. The certificates of shares shall be issued under the Common Seal of the Company and signed by one Director and countersigned by another Director or Managing Director or Secretary of the Company.

Member's right to Certificates.

19. Every member shall be entitled without payment of fees to one certificate specifying the share or shares held by him with distinctive numbers thereof and the amount paid up thereon. Such certificate shall be ready for delivery to the member within three months after the allotment or registration of the transfer, as the case may be, of such share or shares.

Several Certificates.

20. If any member shall require more than one certificate in respect of shares held by him, the Directors in their discretion may issue more than one certificate either on payment by such member of such fees as the directors from time to time may determine or without changing any fees at all.

As to issue of new Certificate in place of one defaced lost or destroyed.

21. If any certificate be worn out or defaced, then, upon production thereof to the Directors, they may order the same to be cancelled, and may on payment of a fee not exceeding Rs. 2/- as may be prescribed by the Board from time to time, issue a new

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certificate in lieu thereof ; and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board, and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

22. In the event of a certificate being filled up with endorsements and a further transfer of share to which it refers being made or required, a new certificate shall be issued on payment of a fee of Rs. 2/- or any less sum which the Directors may from time to time fix for every share in respect of which a certificate is applied for.

New Certificate to be issued when Certificate filled up.

23. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the provisions following :-

Joint-holders.

- (a) The Company shall not be bound to register more than four persons as the holders of any shares.
- (b) The joint-holders of any share shall be liable severally as well as jointly, in respect of all payments which ought to be made in respect of such share.
- (c) On the death of any one such joint-holders the survivor or survivors shall be the only person or person recognized by the company as having any title to such share but the Directors may require such evidence of death as they may deem fit.
- (d) Any one of such joint-holders may give effectual receipts for any dividend or return of capital payable to such joint-holders.
- (e) Only the persons whose name stands first in the Register of members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint-holders.

Maximum Number.

Liability several as well as joint.

Survivors of Joint-holders only recognized.

Receipts.

Who entitled to Certificate etc.

CALLS ON SHARES

Calls on Shares.

24. The board may from time to time subject to any terms on which any shares may have been issued, make such calls as they think fit upon the members in respect of money unpaid on the shares (whether on account of nominal value of shares or by way of premium) held by them respectively and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments. Calls shall be made on uniform basis on all shares falling under the same class.

When Call deemed to have been made.

25. A call shall be deemed to have been made at the time when the resolution of the Board approving such call was passed.

Notice of Call.

26. Thirty days' notice at least of every call shall be given specifying the time and place of payment and to whom such call shall be paid and no call shall be made payable within two months after the last preceding call was payable.

Evidence in action for Call.

27. On the trial or hearing of any suit or other proceeding for the recovery of money due for any call it shall be sufficient to prove that the name of the member against whom such proceeding is being taken is entered in the Register as the holder or one of the holders of the shares in respect of which such debts accrued, that the resolution approving the call is duly recorded in the Directors' Minute Book and that notice of such call was duly given or duly deemed to have been given to the member against whom the proceedings of being taken in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who approved such call nor any other matters whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debts.

Power of Directors to extend the time for payment of call.

28. (i) The Board may from time to time at their discretion extend the time fixed for payment of any call by any of the members whom by reason of any cause, the Board may deem to be fairly entitled to such extension. But no member shall be entitled to such extension save as a matter of grace and favour.

When interest on Calls payable.

(ii) 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

such call or instalment shall be due shall be liable to pay interest for the same at the rate of 12 per cent per annum from the day appointed for payment thereof to the time of actual payment or at such other rate not exceeding 12 per cent per annum as the Board may determine. The Directors may waive payment of that interest wholly or in part.

29. If by the terms of the issue of any shares or otherwise any amount is made payable on allotment or at any fixed time or by instalments at any fixed times whether on account of the amount of the shares or by way of premium, every such amount or instalment shall be payable when due as if it were a call duly made by the Directors and of which due notice had been given and shall be paid to the Company by the person who for the time being shall be the registered holder of the share ; and all the provisions hereof with respect to the payment of calls and interest thereon or to the forfeiture of shares for non-payment of calls shall apply to every such amount or instalment and the shares in respect of which it is payable, as if such sum had become payable by virtue of a call duly made and notified.

Calls by instalment and Instalments to be treated as Calls.

30. The Board may if they think fit receive from any member willing to advance the same, all or any part of the moneys due upon the share or shares held by him beyond the sums actually called for, and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the share or shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 6 per cent per annum 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 dividend.

Calls paid in advance.

31. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter.

Partial payment not to preclude forfeiture

FORFEITURE OF SHARES AND LIEN

32. If any member fails to pay any call or instalment on or before the day appointed for payment thereof the Board may at any time thereafter during such time as the whole or any part of the calls

Notice may be served requiring payment of Call or instalment.

or instalment remains unpaid serve a notice on him requiring him to pay the same together with interest accrued and any expenses incurred by the Company by reason of such non-payment.

What the notice is to state.

33. The notice shall name a further day (not being earlier than the expiration of fourteen clear days from the date of the notice) on or before which such call or instalment and all interest accrued and expenses incurred by reason of such non-payment are to be paid and it shall also name the place where payment is to be made-such place being either the Registered Office of the Company or some other place at which calls of the Company are usually made payable. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which such calls or instalment is payable will be liable to forfeiture.

Forfeiture.

34. If the requirements of any such notice as aforesaid be not complied with any shares in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof has been made be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Forfeited Shares the property of the Company.

35. Any shares and dividends so forfeited shall be deemed to be the property of the company and the Board may sell, re-allot or otherwise dispose of the same in such manner either subject to or discharged from all calls made or instalments due prior to the forfeiture as they think fit, and likewise, they may, at any time before such shares are sold, re-allotted or otherwise disposed of, annul the forfeiture upon such terms as they may approve.

Forfeiture may be remitted.

36. In the meantime, and until any shares so forfeited shall be sold, re-alloted or otherwise dealt with, as aforesaid, the forfeiture thereof may at the discretion and by a resolution of the Board be remitted as a matter of grace and favour and not as of right on payment to the company of the moneys which were owing thereon to the company at the time of forfeiture thereof being declared with interest for the same up to the time of actual payment, if the Board shall think fit to receive the same, or any other term or terms which the Directors may deem reasonable ; but notwithstanding such forfeiture and any subsequent dealing by or on behalf of the company with the shares which may be subject thereof, the money which was

so owned shall continue to be payable by the person who was liable to pay the same at the time of the forfeiture or his representative.

37. Any person whose shares have been forfeited shall cease to be member in respect of the forfeited shares but shall notwithstanding remain laible to pay to the company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of forfeiture together with interest thereon at such rate not exceeding 12 per cent per annum as the Directors shall appoint down to the date of payment but the Directors may, if they shall think fit, remit the payment of such interest or any part thereof.

Liability to pay calls after forfeiture.

38. When any shares have been forfeited, notice thereof shall be given to the person whose shares have been so foefeited and an entry shall forthwith be made in the Register of Members of the Company recording the forfeiture and the date thereof and so soon as the shares so forfeited have been disposed of, an entry shall also be made of the manner and date of the disposal thereof.

Entry of particulars.

39. The Company shall have a first and paramount lien upon all shares (not being fully paid shares) held by any members of the Company (whether alone or jointly with other persons) and upon all dividends which may be declared in respect of such shares and upon the proceeds of sale thereof for all moneys (whether presently payable or not), called or payable in respect of these shares and for all debts, obligations, liabilities and engagements of such member solely or jointly with any other person, to or with the Company whether the period for the payment fulfilment or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Article 14 hereof is to have full effect : Provided always that if the Company shall register a transfer or any shares upon which it has such a lien as aforesaid without giving to the transferee notice of its claim the said shares shall be freed and discharged from the lien of the Company.

Lien.

40. The Directors may serve upon any member who is indebted or under obligation to the Company or upon the person entitled to the shares by reason of the death or bankruptcy of such member a notice requiring him to pay the amount due to the Company or satisfy the said obligation and stating that if payment is not made or the said obligation is not satisfied within a time (not being less than 14 days) specified in such notice the share held by such member

Sale for lien.

will be liable to be sold, and if such member or the person entitled to his shares as aforesaid shall not comply with such notice within the time aforesaid, the Directors may sell such shares without further notice.

Proceeds how applied.

41. Upon any sale being made by the Board of any shares to satisfy the lien of the Company thereon, the proceeds shall be applied, first in the payment of all costs of such sale, next in satisfaction of the debts or obligations of the member to the Company and the residue (if any) shall be paid to the person entitled to the share at the date of the sale or as he shall direct.

How the instrument of transfer to be executed in case of the sale of shares by Directors after forfeiture or for enforcing lien.

42. Upon any sale after forfeiture or for enforcing lien in exercise of the powers hereinbefore given, the Directors may appoint any person to execute an instrument of transfer of the share sold.

Evidence of forfeiture.

43. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against persons claiming to be entitled to the shares 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 the holder of such shares 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 in the proceedings in reference to such forfeiture, sale or disposition.

Effect of forfeiture.

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

SURRENDER OF SHARES

Surrender of Shares.

44. Subject to the provisions of Sections 77 and 100 to 104 (inclusive) of the Act, the Board may accept from any member the surrender on such terms and conditions as shall be agreed upon of all or any of his shares, particularly by way of compromise of any question as to the holder (member) being properly registered in respect thereof.

TRANSFER OF SHARES

45. The Company shall keep a book to be called "The Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares in the Company.

Register of Transfers.

46. The Instrument of Transfer of any share in the Company shall be in writing and shall be executed both by the transferor and transferee and shall contain the name, address and occupation both of the transferor and 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 in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation.

Execution of Instrument of Transfers etc.

47. Shares in the Company shall be transferred in the following form, or in any usual or common form, or as near thereto as circumstances will admit.

Form of Instrument of Transfer.

I, A B of
sum of Rs. in consideration of the
paid to me by C. D. of
(hereinafter called

"the transferee") do hereby transfer to the said transferee the share (or shares) numbered in the undertaking called " to hold unto the said transferee, his executors, administrators and assigns subject to the several condition on which I held the same at the time of the execution thereof and I the said transferee do hereby agree to take the said share (or shares) subject to the conditions aforesaid

As witness our hands the day of 19
Witness to the signature of etc

48. The Board may without assigning any reason, subject to right of appeal conferred by Section 111 of the Act, decline to register any transfer of shares which are not fully paid up and may also decline to register any transfer of shares on which the Company has a lien.

Refusal to register transfer.

Transfer to infant.

49. The transfer shall be made to an infant or person of unsound mind.

Transfer to be left at office and evidence given.

50. Every instrument of transfer shall be left at the office duly stamped for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares and upon payment of the proper fee the transferee shall (subject to the Directors' right to decline to register hereinbefore mentioned) be registered as a member in respect of such shares. The Directors may waive the production of any certificate upon satisfactory evidence to them of its loss or destruction and upon such terms as to indemnifying the Company or otherwise as the Board may think fit.

When transfer to be retained.

51. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors shall decline to register shall be returned to the person depositing the same.

Transfer fee.

52. A fee not exceeding two rupees may be charged for each transfer and on registration of each probate, letters of administration, certificate of death or marriage, power of attorney or other instrument, and shall be paid before the registration thereof.

Closing of Transfer Books and Register.

53. The transfer Books and Register of Members may on giving seven days' previous notice by advertisement be closed during such time as the Board think fit not exceeding in the whole 45 days in each year and not exceeding thirty days at a time.

TRANSMISSION OF SHARES

Persons recognised on death of Shareholder.

54. On the death of any member (not being one of several joint-holders of a share) the executors or administrators of such deceased member or the person or persons to whom Succession Certificate has been granted by a competent court in respect of the shares held by such deceased member shall be the only persons recognised by the Company as having any title to such share.

Representative Shareholder to be registered or nominate another person.

55. Any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member (herein referred to as a person entitled by the transmission) shall within three months (or within such extended period as the Board

or the Managing Director may determine) of becoming so entitled produce to the Company such evidence as may be reasonably required by the Board to prove his title including in the case of death a Grant of Probate or Letters of Administration or Succession Certificate, as the case may be, from some competent Court in India having effect in Calcutta and declare in writing his election either to be himself registered as a member in respect of the share or instead of being registered himself to make such transfer as the deceased, bankrupt or insolvent person could have made.

56. If any person entitled to any share by transmission shall give the required proof of his title and shall declare his election to be himself registered as a member of the Company the Directors may but without any obligation on their part to do so) upon payment of a fee not exceeding two rupees place his name upon the Register in respect of the said shares and if such person as aforesaid shall give the required proof and nominate some other person to be registered the person so nominating and the person so nominated shall respectively as transferor and transferee execute an instrument of transfer and the name of the transferee may subject to the regulations as to transfers hereinbefore contained, upon payment of a fee not exceeding two rupees be placed upon the Register in respect of the said shares.

Registration of
representative
Share holder or
his nominee

57. A person entitled to a registered share by transmission shall be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share but he shall not be entitled to receive notice of, or to attend or vote at meeting of the Company or, save as aforesaid, to any of the rights or privileges of a member unless and until he shall have become a member in respect of the share.

Persons entitled
may receive
Dividends
without being
registered as
Member but may
not vote.

58. If any person becoming entitled by transmission to any partly paid shares shall not have complied with the terms of the preceding Articles for a period of three months or for such extended period as is mentioned in Article 55 from the time of so becoming entitled, the Board or the Managing Director may cause to be served on him a notice requiring him comply with the said terms within a period not being less than one month from the date of such notice and stating that if he does not comply with the requirements of the said notice the shares in respect of which such notice is given will be liable to forfeiture and if the person on whom such notice has been served shall not comply with the requirements thereof within

Penalties for not
registering.

the time named therein, the shares, in respect of which the said notice was given together with any dividends declared shall be liable to be forfeited by a resolution of the Board passed at any time before the requirements of the said notice shall have been complied with.

Guardians and Committee may be placed on Register.

59. The Guardian of an infant entitled to shares and the Committee of a lunatic member or of a lunatic entitled to shares may upon producing to the Directors such evidence of their position as may be reasonable required be placed upon the Register in respect of the shares to which such infant or lunatic may be entitled as the case may be.

Directors' right to refuse registration.

60. The Board shall have the same right to refuse to register the person entitled to any shares by reason of the death, bankruptcy, insolvency, lunacy or infancy of any member or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Company not liable for disregard of a notice prohibiting registration of a transfer.

61. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by an apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any books of the Company, and the Company shall not be bound or required to attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in 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, if the Board shall so think fit.

Nomination for Shares & Debentures

61A. Notwithstanding anything contained in these Articles, where a nomination has been made in the manner prescribed in Section 109A of the Act, purporting to confer on any person the right to vest the shares in, or debentures of the Company, the nominee shall, on the death of the Shareholder or holder of debentures of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures of the Company, as the case may be, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner and the provisions contained in the Sections 109A and 109B of the Act, shall be applicable to such cases.

(As per Special Resolution passed on 29.9.2000)

SHARE WARRANTS

62. The Company may subject to and in accordance with the provisions of sections 114 and 115 of the Act, issue warrants (hereinafter called share warrants) in respect fully paid-up shares and accordingly the Directors may, in their discretion in respect of any such share, issue under the Common Seal of the Company a share warrant duly stamped, stating that the bearer of the share warrant is entitled to the shares therein specified and may provide by coupons or otherwise for the payment of dividends or other moneys on the shares included in the share warrant.

Share Warrants may be issued.

63. Before the issue of any share warrant the Board shall draw up and enter in the Minute Book the regulations and conditions under and upon which such share warrant is issued and in particular the conditions upon which a share warrant or coupons lost, worn out, defaced or destroyed will be renewed or replaced by a new share warrant and upon which a share warrant will be cancelled and the name of the bearer entered upon the Register as a member of the Company in respect of shares included in the share warrant to be cancelled, and such regulations shall be printed upon the back of every share warrant.

Regulation to be made.

64. The regulations relating to share warrants to be drawn up by the Board may prescribe and limit the manner in which a bearer of a share warrant shall be entitled to vote at meetings of the Company. But no regulations shall be declare that any person shall be qualified to be a Director of the Company by reason of being the bearer of any share warrant.

Regulations to prescribed manner of voting.

65. The Board may, from time to time, vary the conditions upon which share warrant shall be issued or held and, subject to such conditions and to these presents, the bearer of a share warrant shall be a member to the full extent. The bearer of a share warrant shall be subject to the conditions for the time being in force whether made before or after the issue of such warrant.

Power to vary the condition.

CONVERSION OF SHARE CAPITAL INTO STOCK

66. The Company in General Meeting may, by an ordinary resolution, convert any fully paid up shares into stock and may at any time re-convert any stock into paid-up shares of any denomination.

Conversion of shares into stocks and reconversion.

67. The holders of stocks may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit. Provided always that the Directors may from time to time fix the minimum amount of stock transferable or forbid transfers of fractional parts of a Rupee with power to waive compliance with such rules upon such occasions as they think fit.

Regulations as to transfer of Stock.

Dividends on stock and vote of Stock holder.

68. 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, votings 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 aliquot part of stock as would not if existing in shares have conferred such privilege or advantage.

Applications of regulations to stock.

69. Save as aforesaid such of the regulations 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 "shareholders" therein shall include "stock" and "stockholder". No such conversion shall affect or prejudice any preference or other special privilege.

INCREASE AND REDUCTION OF CAPITAL

Increase of Capital & terms of issue of new shares.

70. The Company in General Meeting may, from time to time by an ordinary Resolution, increase the Capital by the creation of new shares of such amount as may be deemed expedient.

The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon creation thereof shall direct, and if no direction be given as the Directors shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company and with a special or without any right to voting.

Disposal of new shares.

71. Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of capital, all new shares shall before issue be offered to such persons who at the date of the offer are holders of equity shares of the Company, in proportion, as nearly as circumstances admit, to the amount paid up on those shares at the date. Such offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer, within which the offer is not accepted will be deemed to be declined and after the expiration of such time or on the receipt of an intimation from the person to whom the offer is made, that he declined to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial of the Company. The offer aforesaid

shall not (unless the General Meeting otherwise specially resolves) be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of another person. The Board may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot in the opinion of the Directors be conveniently offered under this Article.

72. Any capital raised by the creations of new shares shall unless otherwise provided by the conditions of issue, be considered as part of the original capital and shall be subject to the same provisions with reference to the payment of calls and the forfeiture of shares, on non-payment of calls, transfer and transmission of shares, lien or otherwise as if it had been part of the original capital.

New Capital to be considered part of original unless otherwise provided.

73. The Company may be Ordinary Resolution :-

- (a) Consolidate all or any of its share capital into share of large amount ;
- (b) Sub-divide its existing shares into shares of smaller amount subject to provisions of clause (d) of Sub-clause (1) of Section 94 of the Act ;
- (c) Cancel any shares not taken or agreed to be taken by any person.

Reduction of Capital and alteration of amount and denomination of shares.

74. The Company may, subject to confirmation by the Court from time to time, by special Resolution reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or reducing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise and paid-up capital may be cancelled as aforesaid without reducing the nominal amount of the shares by the like amount to the intent that the unpaid and callable capital shall be increased by the like amount.

SUB-DIVISION AND CONSOLIDATION OF SHARES

75. The Company may in General Meeting (a) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Associations ; Provided that in the sub-division of existing shares the proportion between the amount

Sub-division and Consolidation of shares.

paid and the amount (if any) unpaid on each share of reduced amount shall be the same as it was in the case of the existing share from which the reduced share is derived ; and (b) consolidate and divide its capital into shares or larger amount than in existing shares ; and (c) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

Sub0division into Preferred and Ordinary.

76. The Resolution whereby any share is sub-divided if confirmed, by a resolution passed by the class of shareholders whose rights will be affected hereby passed in the manner prescribed in Article 77 thereof, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantages as regards dividends, capital, voting or otherwise over or as compared with the others or other subject nevertheless to the provisions of Section 87 of the Act.

MODIFICATION OF RIGHTS

Power to modify rights

77. Whenever the capital is divided into different classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of Sections 106 and 107 of the Act be modified, commuted, affected, abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of the class, provided such agreement is (a) ratified in writing by the holders of at least three-fourths in nominal value of the issued shares of the class or is (b) confirmed by a Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of not less than three-fourth of those shares, and all the provisions hereinafter contained as to General Meetings shall *mutatis mutandis*, apply to every such meeting, but so that the quorum thereof shall be the members holding or representing by proxy or attorney one-fifth of the nominal amount of the issued shares of that class. This Article is not to derogate from any power the Company would have had if this Article were omitted.

BORROWING POWERS

Borrowing power of Company.

78. Subject to the provisions of Clause (1) of Section 293 of the Act, the Board may from time to time at their discretion, raise or borrow or secure the payment of any sum or sums of money for purposes of the Company from any persons, firms or companies including a Director and Managing Director.

79. The Board may raise and secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by mortgage or charge upon the whole or any part of the assets and property of the Company (both present and future) including its uncalled or unissued capital for the time being or by the issue of Debentures or Bonds of the Company or by the creation of Debenture Stock charged upon the whole or any part of the assets and property of the Company as aforesaid or not so charged.

Conditions on which money may be borrowed.

80. Any Bonds, Debenture, Debenture Stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Bonds, Debentures, etc., to be subject to control of Directors.

81. Debentures, Debenture Stock, and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Securities may be assignable free from equities.

82. Any Debenture, Debenture Stock, Bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise.

Issue at discount, etc., of with special privileges.

83. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors 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 make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exerciseable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Director's power or otherwise and shall be assignable, if expressed so to be.

Mortgage of uncalled Capital.

84. If the Directors or any one of them or Managing Director or any other persons shall become personally liable for the payment of any sum primarily due from the Company. The Directors may execute or caused to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the

Indemnity may be given.

Company by way of indemnity to secure the Directors or Managing Director or other persons so becoming liable as aforesaid from any loss in respect of such liability, and may pay to such Directors or Managing Director or other persons guaranteeing commission not exceeding one per cent per annum on the maximum amount guaranteed.

Register of
Mortgages and
Charges.

85. The Directors shall cause a proper register to be kept in accordance with Section 143 of the Act, of all mortgages and charges specifically affecting the properties of the Company and shall also duly comply with the requirements of Sections 124 to 145 of the Act, in regard to registration of mortgages and charges therein specified and otherwise, of Section 138 of the Act as to intimation required by the Company to be given to the Registrar of the payment or satisfaction of any charge or mortgage, of Section 144 of the Act as to allowing inspection of copies kept at the Office of the Company and of Section 143 of the Act as to allowing inspection of the register of mortgages and of Sections 118 and 163 of the Act as to supplying copies of the register of holders of debenture or of any trust deed for securing any issue of debentures.

Register of
holders of
Debentures.

86. Every register of holders of debentures of the Company may be closed for any periods not exceeding in the whole thirty days in the year. Subject as aforesaid every such register shall be open to the inspection of the registered holder of any such debentures and of any members of the Company, but the Company may in General Meeting impose any reasonable restrictions but so that at least two hours in each day when such register is open are appointed for inspection.

GENERAL MEETINGS

The Statutory
Meeting.

87. The Statutory Meeting of the Company shall as required by Section 165 of the Act, be held at such time not being more than six months from the date at which the Company is entitled to commence business and at such place as the Directors may determine and the Directors shall comply with the other requirements of that section in so far as they may be applicable to the Company.

When Subsequent
General Meeting
to be held.

88. General Meeting shall be held within nine months of the expiry of each financial year at such place and time as may be determined by the Board.

Distinction between
Ordinary Extra
Ordinary Meetings.

89. The General Meeting referred to in the last preceding Article shall be called Ordinary Meeting. Other meetings of the Company shall be called Extra-ordinary General Meeting.

90. The Board may whenever they think fit and the Board shall on the requisition of the members representing not less than one-tenth of total voting power of all the members having at the date of the requisition a right to vote on the resolution or business to which the requisition relates, proceed to convene an Extra-ordinary General Meeting of the Company and in the case of such requisition the following provisions shall have effect :-

When Extra-ordinary meeting to be called.

- (1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office of the Company and may consist of several documents in like from each signed by one or more requisitionists.
- (2) If the Managing Director or the Board do not proceed to cause a meeting to be called within 21 days from the date of the requisition being so deposited, the requisitionists or a majority of them in value may themselves convene the meeting but any meeting so convened shall not be held later than three months from the date of the deposit of the requisition.
- (3) In the case of a meeting at which a resolution is to be proposed as a special resolution, the Directors shall be deemed not to have duly convened the meeting if they do not give such notice is required by Section 169 of the Act.
- (4) Any meeting convened by the requisitionists shall be convened in the same manner as nearly as possible as that in which a meetings are to be convened by the Board or Managing Director.
- (5) A requisition by joint-holders of shares may be signed by any one or some only of the holders.

91. In the case of an Extra-ordinary Meeting called in pursuance of requisition, no business other than that stated in the requisition as the objects of the meeting shall be transacted.

Business at meeting called be requisition.

Notice of meeting.

92. A general meeting of the Company may be called giving not less than twenty-one days' notice in writing at the least specifying the place, the day and the hour of meeting, and in case of special business the general nature of such business shall be given to the members. Where by provision of the Act, special notice is required of any resolution, notice of intention to move such resolution shall be given by the Company not less than 28 days before the meeting at which it is to be moved.

93. Every notice of the meeting of the Company shall specify the place and day and hour of the meeting and shall contain a statement of business to be transacted thereat.

In case of any general meeting other than annual general meeting, there shall be annexed to the notice of the meeting, a statement setting out all the material facts concerning the various items of business, including in particular the nature and extent of interest, if any, of every Director, the Managing Agents, if any, the secretaries and treasurers, if any, and the Manager, if any. Where any item of business consists of according approval to any document, the time and place where the document can be inspected shall be specified in the statement aforesaid.

In the notice there shall also appear with reasonable prominence a statement that the member entitled to attend and vote is entitled to appoint a proxy and that proxy need not be a member.

Accidental omission to give Notice.

94. The accidental omission to give any such notice to any of the members or the non-receipt by any member of such notice shall not invalidate any resolution passed at any such meeting.

PROCEEDINGS OF GENERAL MEETING

Business of Meeting.

95. The business of an Ordinary General Meeting other than the statutory meeting shall be to receive and consider the accounts, the Balance Sheet and the report of the Directors and the Auditors, to elect Directors, and appoint Auditors or other officers in place of those retiring by rotation and otherwise, to fix the remuneration of the Auditors, to declare dividends and to transact any other business which under these presents ought to be transacted at an Ordinary General Meeting. All other business transacted at the Ordinary General Meeting and all business transacted at an Extra-ordinary General Meeting shall be deemed special.

96. With the exception mentioned in the foregoing Article as to the business which may be transacted at an Ordinary General Meeting without notice, no General Meeting, Ordinary or Extraordinary shall be competent to enter upon, discuss, or transact any business which has not been specially mentioned in the notice or notices upon which it was convened.

No business to be transacted except with previous notice.

97. No business except the choice of a chairman or the adjournment of the meeting shall be transacted or discussed at a General Meeting while the chair is vacant.

No business to be done while Chair vacant.

98. No business shall be transacted at any General Meeting unless the quorum requisite is present at the time when the meeting proceeds to business.

No business to be done unless a quorum is present.

99. Five individuals present in person who are members entitled to vote and/or representatives of a Corporation so entitled shall be quorum for a General Meeting.

Quorum.

100. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon the requisition of members as aforesaid, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting those members who are present shall be deemed to be a quorum and may do all business which a full quorum might have done.

Adjournment for want of quorum.

101. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman or if at any meeting he be not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the members present shall choose one of the Directors present to be Chairman or if none are present or willing to act, the members present shall choose one of their own members to be Chairman.

Chairman.

102. The Chairman may, with the consent of any meeting at which a quorum is present, adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the

Adjournment with consent of Meeting.

meeting from which the adjournment took place. It shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting . If however a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in case of original meeting.

Question at
General Meeting
to be decided
by show of
hands.

103. Except where otherwise provided by the Act or by these Articles every question to be decided by the General Meeting shall in the first instance be decided by show of hands. In case of an equality of votes the Chairman shall both on a show of hands and at a poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.

What is to be
the evidence of
the passing of a
Resolution
where Poll not
demanded.

104. At any General Meeting unless a poll be (on or before the declaration of the result of the show of hands) demanded by the Chairman on his own motion or by at least five members present in person or by proxy and entitled to vote or by a member or members present in person or by proxy and holding not less than one-tenth of the voting power and entitled to vote, a declaration by the Chairman that a resolution has been carried or not carried unanimously or by a particular majority and an entry to that effect in the Book of Proceedings of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded in favour of or against such resolution.

How a Poll is
to be taken.

105. If a poll is demanded as aforesaid it shall (subject to the provisions of the next succeeding Article hereof) be taken in such manner and at such time and place as the Chairman of the Meeting directs and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

Poll without
adjournment.

106. Any poll duly demanded on the election of Chairman of a meeting or any question of adjournment shall be taken forthwith at the meeting and without adjournment.

Chairman's
decision
conclusive.

107. (i) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of the poll shall be the sole judge of the validity of vote tendered at such poll.

(ii) The decision of the Chairman on all points of order shall be final.

108. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the business on which a poll has been demanded.

Business may Proceed notwithstanding demand for Poll.

109. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings and any such minutes if signed by the Chairman of the meeting to which it relates or by the Chairman of the next subsequent General Meeting shall be receivable as evidence of the facts therein stated without further proof.

Minutes of General Meeting.

VOTES OF MEMBERS

110. (i) Subject to any rights and restrictions for the time being attached to any class or classes of shares by these Articles or by the Act, on a show of hands every member entitled to vote and present in person shall have one vote only. Upon a poll the voting rights of members shall be as laid down in Section 87 of the Act.

Votes.

(ii) No member not personally present shall be entitled to vote on a show of hands unless such member is a corporation or a company present by a proxy or by a representative duly authorised in which case such proxy or representative may vote on show of hands as if he were a member of the Company.

111. No member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or as a proxy for any other member or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member, or in regard to which the Company has, and has exercised, any right of lien.

Member's right to be present for votes.

112. Where a Corporation is a member of the Company a person duly appointed by a resolution of its Board to represent such corporation at meeting of the Company in accordance with the provisions of Section 187 of the Act, shall not be deemed to be a proxy, but shall be entitled to vote for such corporation on a show of hands and to exercise the same powers on behalf of the corporation which he represents as if he were an individual member of the Company, including the power to appoint a proxy and the production at the meeting of a copy of such resolution duly signed by one Director of such corporation and by the Managing Director (if any) and certified by him or them as being a true copy of the resolution shall on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.

Procedure where Corporation is a member of the Company.

Joint-holders.

113. Where there are joint registered holders of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by proxy, although the name of such person present by proxy stands first on the register in respect of such shares. Several executors or administrators of a deceased member in whose name any share stand shall for the purposes of this Article be deemed joint-holders thereof.

Vote of incapacitated members.

114. If any member be a lunatic, idiot *or non compos mentis* his vote may be exercised by his Committee or other legal guardian.

Votes in respect of deceased and bankrupt members.

115. Any person entitled under the transmission clause to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were a registered holder of such shares ; Provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Proxy permitted.

116. A member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself. The proxy so appointed shall not have the right to speak at the meeting. A proxy shall also not be entitled to vote except on poll.

On a poll being taken at a meeting, a member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all votes he uses.

How signed and in whose favour.

117. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing if such appointer be a corporation either under its Common Seal or under the hand of its attorney so authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy. Any other proxy shall be called a general proxy.

118. The instrument appointing a proxy and the power of attorney under which it is signed or a notarially certified copy of such power shall be deposited at the office of the Company not less than 48 hours before the time fixed for holding a meeting at which the person named in such instrument is authorised to vote unless in the case of power-of-attorney executed by one member in favour of another member of the Company authorising such member to vote at more than one meeting or meetings generally it has already been registered in the Company's books and in default the instrument of proxy shall be invalid. No proxy save and except a member of the Company who holds a power-of-attorney from another for voting for more than one meeting or meetings generally) shall be entitled to vote except in the particular meetings mentioned in the instrument or any adjournment thereof and upon every poll that may take place at or in consequence of any such meeting or adjournment.

Deposit of proxy.

119. An instrument appointing proxy shall, as nearly as circumstances will admit, be in the form or to the effect following and shall be retained by the Company :

Form of proxy.

I/We _____ of _____
being a member of the _____
holding _____ Ordinary _____
hereby appoint _____ of _____
(or failing him _____ of _____
_____) as my proxy to vote for me and on my behalf at
the Ordinary (or Extra-ordinary as the case may be) General Meeting
of the Company to be held on the
day of _____ 19 _____ and at any adjournment
thereof. As witness my hands, this _____ day of _____ 19
Signed by the said _____
in the presence of _____

120. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given : Provided to intimation in writing of the death, revocation or transfer shall have been received at the office before the meeting. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

When vote by proxy valid through authority revoked.

Time for objection to vote.

121. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.

Resolution in writing of Directors in certain cases to be equivalent to Resolution of General Meeting.

122. Any resolution passed by the Directors notice whereof shall be given to the members in the manner in which notice are hereinafter directed to be given and which shall within two months after it shall have been so passed be ratified and confirmed in writing by members entitled at a poll to three-fifths of the votes shall be as valid and effectual as resolution of a General meeting, but this Article shall not apply to a resolution for winding up of the Company or to a resolution passed in respect of any matter which by the statutes of these presents ought to be dealt with the Special Extra-ordinary Resolution.

DIRECTORS

Number of directors.

123. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than three nor more than ten inclusive of *ex-officio* Directors.

124. At the date of adoption of these articles the persons named hereinafter are the directors :—

1. Shri Inder Mohan Thapar.
2. Shri Radha Kishan Jaidka.
3. L. Shamlal Dosaj.
4. L. Jairamdas Nanda.
5. Shri Rameshwar Prasad Agarwal.
6. Shri Bramha Shumshere Jung Bhadur Rana.
7. Shri Ram Swaroop Khemka.

Disqualification of Directors.

125A. A person shall not be capable of being appointed a Director of a Company if :

- (a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force ;
- (b) he is an undischarged insolvent ;

- (c) he has applied to be adjudged as an insolvent and his application is pending ;
- (d) he has been convicted of an offence involving moral turpitude and sentenced to imprisonment for not less than six months and a period of five years has not elapsed since the date of expiry of the sentence, unless the disqualification as such has been removed by the Central Government ;
- (e) he has not paid any call in respect of shares held by him whether alone or jointly with others and six months have elapsed from the last date fixed for the payment of the call ; or
- (f) an order disqualifying him for appointment as a Directors has been passed by a Court under Section 203 of the Act and is in force.

'125B' Until otherwise determined by a General Meeting, the Directors need not hold any qualification a share."

Qualification
of Directors.

126. (a) The fee payable to the Directors for attending each meeting of the Board shall be Rs. 500/- or such sums as may be prescribed by the Companies Act or by the Central Government from time to time and decided by the Board of Directors of the Company within the prescribed limits.
- (b) "In addition to the remuneration payable to him as above, a Director if he is not a resident of the place where the meeting is held, will further be entitled to actual travelling charges not exceeding Airconditioned First Class Railway Fare from his usual place of residence in India and back or actual Air Passage and also reimbursement of actual expenses upto Rs. 250/- per day or the actual hotel expenses, plus out of pocket expenses on account of conveyance etc., for the days necessary for attending and returning from the Meeting of the Board of

Directors or any Committee thereof or general meeting of the Company or otherwise in connection with the business of the Company.

- (c) The Directors shall, subject to the provision of Sections 198 and 309 of the Act, be further entitled to receive by way of additional remuneration a commission equivalent to 1% of the net annual profits of the Company, computed in the manner laid down in Sections 349, 350 and 351 of the Companies Act 1956. Such commission shall be divided equally amongst the directors on the Board on the last day of financial year of the Company to which the commission relates, unless they decide otherwise.

Remuneration
for extra service.

127. 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 Calcutta for any of the purposes of the Company, or in giving special attention to the business of the Company, the Company may subject to the provisions of Sections 198 and 309 of the Act, remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise, and such remuneration may be either in addition to or in substitution for his or their share in the remuneration as above provided for the Directors.

Vacation of office
of Directors.

128. Every Director shall vacate his office on the happening of any of the events following, that is to say :-

- (1) On his applying to be adjudged bankrupt or insolvent or on his being adjudged insolvent on application by a creditor.
- (2) On his being found to be of unsound mind by a Court of competent jurisdiction.
- (3) On his absenting himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months whichever is longer without obtaining leave of absence from the Board of Directors.

- (4) On his being convicted by a court in India of any offence and sentenced in respect thereof to imprisonment of not less than six months.
- (5) On his accepting or holding without the sanction of the Company in a General Meeting an office of profit under the Company other than that of a Managing Agent, Managing Director, Manager or a legal or technical advisor or banker whether by himself or through a firm of which he is a partner or a private company of which he is a Director.
- (6) On his becoming disqualified by an order of the court under section 203 of the act.
- (7) On his accepting a loan or guarantee in contravention of Section 295 of the Act, whether by himself or through a firm of which he is a partner, or a private company of which he is a Director.
- (8) On his entering into a contract or arrangement in contravention of Sections 299 & 300 of the Act.
- (9) On his resigning the office by notice in writing to the Board.
- (10) On failing to obtain his qualifying shares within two months of the date of his appointment.
- (11) On his ceasing to hold the qualifying share after obtaining his qualifying shares.
- (12) On his failing to pay calls made on him in respect of shares held by him within six months from the date of such calls being made.
- (13) On his being removed in pursuance of Section 284 of the Act.

(The Sub-clause 14 of the Article 128 of the Articles of Association is deleted as per special resolution dated 31-1-66

No act of any disqualified Director to invalidate any proceedings if the other Directors act Bonafied.

129. Nothing contained in the provisions made in Article 128, or other articles contained herein shall invalidate any act done at any meeting of the Directors or of a Committee of Directors or by any person acting as a Director notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified.

Power of Directors to add to their number.

130. The Directors shall, subject to the provisions of Section 261 of the Act, have power from time to time and at any time to appoint additional Directors, but so that the total number of Directors shall not at any time exceed the maximum number fixed as above, and so that no such appointment shall be effective unless the majority of the Directors concur therein. Such additional directors shall hold office only up to the next Annual General Meeting of the Company.

Power of Directors to co-opt Special Directors.

131 (a) Whenever special necessity occurs to have technical or expert advice or whenever the Directors deem otherwise expedient in the interests of the Company, they may co-opt any one or more persons as Special Directors for such time and on such remuneration as the Board of Directors may determine, whether such person or persons be shareholders or not. The Special Directors appointed under this Article shall be in addition to the Directors appointed under the preceding Articles and will not count to make the maximum prescribed.

Privileges of Special Directors.

(b) The above mentioned Special Directors shall have such powers and privileges and duties as the Board of Directors determine and shall hold office as long as the necessity exists or otherwise at the discretion of the Board of Directors.

When Director of this Company appointed Director of Subsidiary Company.

132. A Director of this Company may be or become a Director of any company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as Director or Member of such company.

Register of Directors and Return and Notification of changes of Registrar.

133. The Company shall keep at its office a Register containing the particulars as to Directors, Managing Director and Managers required under Section 301 of the Act and shall send to the Register of Joint Stock Companies a return in the prescribed form containing the particulars specified in the said Register and

shall within the time prescribed in Section 303 of the Act notify to the Register in the prescribed form any change among its Directors, Managing Director and Managers as required by the Act.

ROTATION OF DIRECTORS

134. At the First Ordinary General Meeting of the Company and at every subsequent Annual General Meeting one-third of such of the Directors for the time being as are liable to retire by rotation, or if the number is not three, or multiple of three, then the number nearest to one-third shall retire from office.

Rotation and Retirement of Directors.

135. The Directors to retire in every year shall be those who have been longest in Office. As between two or more who have been in Office an equal length of time the Director or Directors to retire shall in default of agreement between them be determined by lot. The length of time a Director has been in office shall be computed from his last election or appointment when he has previously vacated Office.

When Directors to retire.

136. A retiring Director shall be eligible for re-election.

Retiring Director eligible for re-election.

137. Subject to the provisions of these Articles the Company at the Ordinary General Meeting at which any Directors retires in manner aforesaid may fill up the vacated Office and may fill up any other offices which may then be vacant by electing the necessary number of persons unless the Company shall determine to reduce the number of Directors.

Filling Vacancies.

138. The Company in General Meeting may, from time to time, increase or reduce the number of Directors.

Power for General Meeting to increase or reduce number of Directors.

139. If at the Annual General Meeting at which a Director retires, the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day of the next week at the same time and place, or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place, and if at the adjourned meeting also, the place of the retiring Director is not filled up, the retiring Director shall, if willing to continue in office, be deemed to have been reappointed at the adjourned meeting unless it shall be determined at such meeting to reduce the number of Directors or he is not qualified or disqualified

Adjournment of Meeting for election of Director.

for appointment, or a resolution whether special or ordinary is required for his appointment under the Act, or provision to sub-section (2) of Section 263 or sub-section (3) of Section 280 of the Act is applicable to the case, or a resolution for re-election of such director shall have been put to the previous meeting or meetings and lost.

Power to
remove Director
by Ordinary
Resolution.

140. The Company may by an Ordinary Resolution remove any Director before the expiration of his period of office and may by an Ordinary Resolution appoint another qualified person in his stead and the person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

Casual-vacancies.

141. The Director shall have power at any time and from time to time to appoint any person or persons to fill up a casual vacancy in the Board, at a meeting of the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed as above. Any Director appointed to fill up a casual vacancy shall be subject to retirement at the same time as if he had become a Director on the date on which the Director in whose place he has been elected as Director would have normally retired.

Casual vacancy
to be field up
by Board.

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

Notice of
Candidature for
Director to be
given.

143. A member not being retiring Director shall not unless recommended by the Directors for election as a Director be eligible to be elected as a Director at any General Meeting unless he or some other member intending to propose him has at least fourteen clear days before the meeting left at the Office a notice in writing duly signed signifying his candidature for the Office or the intention of such member to propose him. Provided always that if the members present at a General Meeting unanimously consent the Chairman of such Meeting may waive the said notice, and may submit to the Meeting the name of any person duly qualified.

PROCEEDINGS OF DIRECTORS

Meetings of
Directors.

144. The Directors may meet together for the despatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit provided that a meeting of the Board shall be held at least once in every three calender months.

The quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board for the time being (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested shall be the quorum during such time.

145. The Chairman, or any two Directors may at any time send a requisition to the Board for a meeting of the Directors. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

146. The Directors may elect a Chairman for their meetings and determine the period for which he is to hold office ; but if no such Chairman is elected, or if at any meeting the Chairman is not present within ten minutes after the time fixed or holding the same, the Directors present may choose one of their member to be Chairman of the meeting. Questions arising at the time shall be decided by a majority of votes. In case of equality of votes, the Chairman shall have second or casting vote.

Chairman.

147. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested in or exerciseable by the Directors generally.

Powers
Quorum.

148. Any resolution (other than a resolution which by the Act or by the Articles is required to be passed only at a meeting of the Board and not otherwise) in writing calculated and signed by majority of Directors (not being less than the quorum) for the time being on the Board, who may be in India, and are entitled to vote, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and constituted.

Resolution
without Board
Meetings.

149. All acts done by any meeting of the Directors or of any Committee of the Directors or by authority of the Directors or by any person acting as a Director or purporting to act under powers delegated by the Directors under these Articles shall notwithstanding that it shall afterwards be discovered that there was some defect in

When acts of
Directors are valid
notwithstanding
defective
appointment.

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

Directors'
Minutes Book.

150. The Directors shall cause to be made in books provided for the purpose minutes of the proceedings of all meetings of the Board and of the names of the Directors present at such meetings and in case of each resolution passed at the meeting the names of the directors, if any, dissenting, or not concurring in the resolution.

By whom
Minutes to be
signed and the
effect of Minutes
recorded.

151. All such minutes shall be signed by the Chairman of the meeting as recorded or in case of the inability from any cause of such Chairman to sign the same then by the person who shall preside as Chairman at the next ensuing meeting and all minutes purporting to be so signed shall for all purposes whatever be *prime facie* evidence of the actual passing of the resolutions recorded and the actual and regular transactions or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

Power to appoint
Committee to
delegate.

152. The Directors, may from time to time delegate any of their powers to Committee consisting of such member or members of their body as they think fit. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Directors.

Proceedings of
Committee.

153. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Alternate
Director.

154. A Director, during any absence of not less than three months from India, may with the approval of the Board of Directors appoint any person to be an alternate Director during such absence and such appointment shall have effect and such appointed while he holds the office as an alternate Director shall be entitled to the notices of meetings of Directors and to attend and vote ; thereat as a Director,

but he shall not require any qualification and shall *ipso facto* vacate the office, if and when the appointer returns to India or vacates the office as a Director or removes the appointee from office by a notice in writing under his hand.

155. Every person acting as an alternate for a Director shall be deemed to be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of or for the Director appointing him.

Responsibility of substitute.

POWERS OF DIRECTORS

156. The general control of the business of the Company shall be vested in the Board of Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act or any other statute expressly directed or required to be exercised or done by the Company in General Meeting subject nevertheless to the provisions of the Act and statutes and of these presents and to any regulations from time to time made by the Company in General Meeting ; but no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The Directors shall be at liberty subject to the aforesaid provisions to delegate any of their powers to the Managing Director or a Committee of Directors or a Director, or any other person.

General power of control vested in Directors.

157. Without prejudice to the general powers conferred by the last preceding Article and to any other powers or authorities conferred by these presents on the Directors, it is hereby expressly declared that the Directors shall have the following powers, that is to say, power :-

Specific powers given to Directors.

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company and procuring its capital to be subscribed.
- (2) To purchase or otherwise acquire for the Company any property, rights or privileges

To pay preliminary expenses.

which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit, and subject to the provisions of Section 293(1) (a) & (b) of the Act, to sell, let, exchange or otherwise dispose of absolutely or conditionally any part of the property privileges and undertaking of the Company upon such terms and conditions, and for such consideration as they may think fit.

To pay for property in debentures, etc.

- (3) At their discretion to pay for any property, rights, privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares (subject to Sections 81 and 293 (1) (d) of the Act), bonds, debentures, or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon ; and any such bonds debentures, or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

To secure contract by mortgage.

- (4) To secure the fulfilment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they may think fit.

To appoint Trustees.

- (5) To appoint and at their discretion remove or suspend such agents, managers, secretaries, agents, engineers, experts, officers, clerks and workers for permanent, temporary or special services as they may from time to time think fit, fix their salaries or emoluments and to require security in such instances and to such amount as they think fit, and to determine their duties and powers and from time to time to revoke or vary such powers.

To appoint officers, etc.

- (6) To appoint any person or persons (whether incorporated or not) to accept and hold in trust

for the Company any property belongings to the Company or in which it is interested or for any other purposes, and to execute and do all such deeds, documents and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.

- | | | |
|------|---|--|
| (7) | To institute, conduct, defend, compound or abandon any legal proceedings, by or against the Company or its officers or otherwise concerning the affairs of the Company and subject to the provisions of sub-clause (b) of Clause (1) of Section 293 of the Act, to remit, or give time for repayment or satisfaction of any debts due and of any claim or demand by or against the Company. | To bring and defend actions etc. |
| (8) | To refer any claims or demands by or against the Company to arbitration and observe and perform the awards. | To refer to arbitration. |
| (9) | To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company. | To give receipts. |
| (10) | To act on behalf of the Company in all matters relating to bankrupts and insolvent. | To act in matters of bankrupts and insolvents. |
| (11) | To determine who shall be entitled to sign on Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents. | To authorise acceptance, etc. |
| (12) | From time to time to provide for the management of the affairs of the Company either in different parts of the Indian Republic or elsewhere in such manner as they think fit, and in particular to establish branch offices and to appoint any persons to be the Attorneys or Agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit. | To appoint attorneys. |

To invest moneys.

(13) Subject to the provisions of Sections 295, 369, 370 and 372 of the Act, to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such securities (not being shares in the Company), and in such manner as they may think fit, and from time to time to vary or realise such investments.

To give security by way of indemnity.

(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.

To give percentage.

(15) To give to any person employed by the Company as remuneration for their services as such, a commission on the profits of any particular business or transaction or a share in the general profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company.

To make bye-laws.

(16) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.

To make contracts, etc.

(17) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

To establish and support charitable objects.

(18) Subject to the provisions of Section 293 (1) (e) to establish, maintain, support and subscribe to any charitable or public object, and any institution, society, or club which may be for

the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business ; to give pensions, gratuities, or charitable aid to any person or persons who have served the Company or to the wives, children, or dependents of such person or persons, that may appear to the Directors just or proper, whether any such person, his widow, children or dependents have or have not a legal claim upon the Company.

- (19) Before recommending any dividend to the shareholders, to set aside, out of the profits of the Company, such sums as they think proper as a Sinking Fund, Depreciation Fund, or Reserve Fund to meet contingencies or liquidations of debts and liabilities of the Company or for equalisation of dividends or special dividends or for the provisions of any pension or provident funds for the benefit of the employees or ex-employees of the Company or their dependants or for repairing improving and maintaining any of the property of the Company and for such other purposes as the Board, shall in their discretion think conducive to the interests of the Company, and to invest the several sums so set aside upon such investments as they may think fit, and from time to time to deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and with full power to employ the assets constituting the Reserve Fund in the business of the Company and without being bound to keep the same separate from the other assets.
- To set aside as Sinking Fund, Reserve Fund etc. out of profits.
- (20) To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees and the Company respectively to any provident or Benefit Fund and the accrual, employment, suspension and forfeiture of the benefits of the
- To make and alter rules.

said Fund and the application and disposal thereof, and otherwise in relation to the working and management of the said Fund.

To delegate powers.

- (21) Subject to the provisions of the Act, to delegate all or any of the powers hereby conferred upon them to the Managing Director, Secretaries and Treasurers, or Committee of Directors or a director or an officer, of the Company, with or without power to sub-delegate, and subject to any conditions, as they may from time to time think fit, and from time to time to vary or revoke such powers and delegations.

158. The Directors may from time to time agree to pay either a certain fixed monthly amount for or a fixed percentage of salaries, allowances, Provident Fund contributions, fees, commissions and bonuses etc., of the establishment employed partly in connection with the business of the company and partly on the business of other companies or firms at Calcutta and/or elsewhere, as also for the office incidentals such as rents, stationery, telephone electricity and conveyance expenses etc. likewise, incurred and the Directors may also from time to time vary the monthly amount or percentage so fixed.

159. (a) Neither shall a Director be disqualified on account of his holding the office of a Director from contracting with the Company either as a vendor or purchaser or otherwise, nor shall a contract for sale, purchase, supplies or rendering of other services including insurance, entered into by or on behalf of the Company with a Director, or his relative or a firm in which he or his relative be a partner, or any partner of any such firm, or a private company of which he is a member or a Director, be avoided, nor shall the Director so contracting or so interested be liable to account to the Company for any profits realised on such contract or arrangement, by reason only of his holding that office, or of the fiduciary relations thereby established, so long as the nature of his interest is disclosed by him at the meeting of the Directors at which the contract or arrangement is determined, or the consent of the Board is accorded to such contract within two months from the date on which it was entered into. Provided nevertheless that no Director shall as a Director take part in the discussion of or vote in respect of any such contract or arrangement in which he is so interested and if he does so, his vote shall not count. But this proviso shall not apply to any contract by or on behalf of the company to give the Director or any

of them any security by way of indemnity in accordance with subsection (2) of Section 300 of the Act. The general notice that the Director is a director or a member of any body corporate or a member of a specified body corporate or a member of a specified firm and is to be regarded as concerned or interested in any subsequent contract or arrangement which may be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure and it shall not be necessary to give special notice relating to any subsequent transaction by the Company with such body corporate or firm. Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired.

Any Director who is a director or partner of the Managing Agents, Managing Director, Secretaries & Treasurers, Manager, legal or technical adviser, banker, or trustee to the holders of debentures, of the Company, shall not be liable to account to the Company for any profit realised for such work done by him or by his firm or Company.

159. (b) On such sum of money as may from time to time be advanced by a Director to the Company, he shall be entitled in addition to his remuneration as a Director, or Managing Director as the case may be to charge and receive interest at such rate or rates as may from time to time be agreed by him with the Board.

In the event of any Director of the Company or a firm in which any Director of the Company is partner or a private company in which any Director is a member or a director of such private company, or any other member or a director of such private company, guaranteeing any loan or advance which may be made from time to time to the company by any bank, firm or a corporate body or individual, the Director of the firm, or the private company and/or its member or director, guaranteeing any such loan or advance to the company, shall be entitled to charge and receive a guarantee commission at such rate as may be agreed by the Board not exceeding in all 1% per annum on the guaranteed amount, and the interested Director will not be liable to account to the Company for the commission so earned by him or the firm or the private company or its member or director, so guaranteeing, by reason only of his holding that office, or of the fiduciary relations thereby established, so long as the nature of his interest is disclosed by him at the meeting of the Directors at which the arrangement is determined. Provided always

that nothing herein contained shall impose any obligation on any Director of the Company to make advances to the Company or to guarantee any loan or advance which may be made to the Company by any firm, company, bank or individual.

LOCAL MANAGEMENT

160. The Directors may from time to time.

- (a) provide for the management and transaction of affairs of the Company abroad ;
- (b) establish any local boards or agencies for managing all or any of the affairs of the Company abroad ;
- (c) appoint any persons as members of such local boards or any managers or agents and may fix their remuneration ; from time to time delegate to any boards and/or persons so appointed any of the powers, authorities and discretions for the time being vested in the directors, with or without powers to sub-delegate, and may from time to time annual or vary any such delegations ; and
- (d) from time to time by power of attorney under seal appoint any person to be attorneys of the company for such purposes and with such powers, authorities and discretions for such period and subject to such conditions as the Directors may think fit with powers from time to time to cancel and/or vary any such powers of attorney.

161. The Company may exercise the powers conferred by Section 50 of the Act for use of the seal abroad and may authorise any person appointed for the purpose, to affix the official seal to any deed or document to which the Company is a party.

MANAGING DIRECTOR

162. The Directors may from time to time to appoint one or more of their body to be Managing Director or Managing Directors of the Company.

163. The Directors may empower and confer upon the Managing Director any powers as are not by the Act or by these presents required to be exercised by the Board, upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

164. The tenure of the Office of the Managing Director shall be for such term as the Directors may determine, but shall not exceed five years at a time, subject of course to his continuing as Director of Company. The Directors may from time to time (subject to the contract, if any, between the Managing Director and the Company) remove him from the office and appoint another in his place and revoke and/or restrict or vary his powers and authorities. If on account of any causes he ceases to hold the office of a Director he shall *ipso facto* cease to be the Managing Director.

165. The remuneration of such Managing Director shall, subject to the restrictions imposed by Section 198 of the Act, from time to time be fixed by the Directors.

MANAGER

166. Subject to the provisions of Section 386 of the Act, the Directors may from time to time appoint an individual as Manager of the Company and may confer upon the Manager so appointed and powers as are not by any Act or by these presents required to be exercised by the Board, on such terms and conditions and with such restrictions as they may think fit, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

The Directors may also from time to time, subject to the provisions of Sections 198 and 387 of the Act fix the remuneration payable to such Manager. The remuneration may either be by way of monthly payment, or by way of specified percentage of net profits, or partly by one or partly by the other.

THE SEAL

167. The Directors shall provide for the safe custody of the Seal of the Company. The seal shall only be used by the authority of the Board or a Committee of the Directors authorised by the Board

in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director or Managing Director and seal be counter-signed by the Secretary or by a second Director or by some person appointed by the Board for the purpose.

SECRETARY

168. The Board may from time to time, for the purpose of maintenance of register of members and other statutory books under the Act, for filing various returns and for performing other duties imposed by the Act, appoint a Secretary of the Company for such term and on such conditions as they deem fit, and may from time to time remove him from the said office.

169. The provisions of the Act and these regulations requiring or authorising a thing to be done by or through a Director and the Secretary shall not be satisfied by its being done by or through the same person acting both as Director and as, or in place of, a Secretary.

RESERVE AND DEPRECIATION FUND

170. The Directors may from time to time before recommending any dividend set apart any and such portion of the profits of the Company, as they think fit, as a Reserve Fund or Reserve Funds to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends or for repairing, improving and maintaining any of the property of the Company, and for such other purposes of the Company, as the Directors in their discretion think conducive to the interests of the Company, and the Directors may invest the several sums so set aside in such investments (other than shares of the Company), and from time to time in their own discretion deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the Reserve Fund into such special funds, as they think fit with full power to employ the Reserve Fund or any parts thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.

Depreciation
Fund.

171. The Directors may from time to time, before recommending any dividend set apart any and such portion of the profits of the Company, as they think fit, as a depreciation Fund

applicable at the discretion of the Managing Director with the like sanction for providing against any depreciation in the investments of the Company or diminution in value of any of the assets or for rebuilding, restoring, replacing or altering any part of the buildings, works, plant, machinery or other property of the Company destroyed, or damaged by fire, flood, storm, tempest, accident, riot, wear and tear or other means, and for repairing, altering and keeping in good condition the property of the Company or for extending and enlarging the buildings, machinery and property of the Company, with full power to employ the assets constituting such depreciation fund in the business of the Company and that without being bound to keep the same separate from the other assets.

172. All moneys carried to the Reserve Funds and Depreciation Fund respectively shall nevertheless remain and be profits of actual loss or depreciation, for the payment of dividends and such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may with the approval of the Directors be invested by the Managing Director in or upon such investments or securities as they may select or may with such approval as aforesaid, be used as working capital or may be kept at any Bank on deposit or otherwise as the Managing Director may such approval aforesaid, from time to time think proper.

Nature and investments of Reserve Funds.

DIVIDENDS

173. Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, and to Articles 170 and 171 hereof, all dividends shall be declared and paid according to the amount paid upon the shares. Calls paid in advance shall not for the purpose of this Article be treated as amount paid up on the shares.

Dividend to be according to amount paid on each share.

174. The Company in General Meeting may declare dividend to be paid to the members according to their rights and interests in the profits and may fix the time for payment, and for the purpose of equalization of dividends, any sums from time to time in accordance with these presents carried to the reserves, depreciation or other special funds may, subjects to due provision being made for actual loss or depreciation, be applied in payment thereof.

Declaration of Dividend.

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

Dividend.

Interim
Dividend.

176. The Board may from time to time pay such interim dividends to the members as in their judgement the position of the Company justifies.

Dividend to be
paid out of
profits.

177. No dividend shall be declared or paid except out of the net profits of the year or any other undistributed profits, and no *dividend shall* bear interest against the Company. These provisions however shall not affect the operation of Section 307 of the Act.

Dividend
includes
Bonus also.

178. If and whenever any bonus on shares is declared out of profits, and whether alone or in addition to any dividend thereon, the bonus shall for all purposes whatsoever be deemed to be a dividend on the shares.

Debts may be
deducted.

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

Effect of
transfer.

180. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Dividend of
Joint-holders.

181. If several persons are registered as joint holding of any share, any one of them may give effectual receipt for any dividend payable on the shares and such receipt by any one of them will be binding against all the joint holders.

Payment by
post.

182. Unless otherwise directed by the Company in General Meeting, any dividend may be paid by the Cheque or Warrant sent through the post to the registered address of the member entitled or in case of joint holders to the registered address of that one whose name stands first on the Register in respect of the joint holding and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the act of such Cheque or warrant having been so posted shall be a complete discharge to the Company against all claims in respect of such dividend. No dividend shall be paid by the Company in respect of any share except to the registered holder of such shares or to his order or to his bankers, or in case of bearer shares to the bearer of the share warrants or to his bankers.

Dividend and
Call together.

183. Any General Meeting declaring a dividend may make a call on the members, of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable

to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the Company and the member be set off against the call. The making of a call under this Article shall be deemed ordinary business of an Ordinary Meeting which declares a dividend.

184. The Company in General Meeting declaring a dividend, may, upon the recommendation of the Board, resolve that such dividend be paid wholly or in part by the distribution of specific assets and in particular of paid-up shares, debentures, or debenture-stocks of the Company or paid-up shares, debentures or debenture-stocks of any other Company or in any one of more of such ways. Any General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve or other fund or in the hands of the Company and available for dividends be capitalised and distributed amongst the shareholders in accordance with their rights on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of the shareholders in paying up in full any unissued shares of the Company and that such unissued shares so fully paid up be distributed accordingly amongst the shareholders in the proportion in which they are entitled to receive dividends and shall be accepted by them in full satisfaction of their interest in the said capitalized sum and the Board shall give effect to any such resolution or resolutions and when any difficulty arises in regard to the distribution, they may settle the same as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where required a proper contract shall be filled in accordance with Section 94 of the Act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.

Dividend in specie
Capitalization of
Reserve.

185. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and all dividends unclaimed for three years after having been declared shall be forfeited for the benefit of the Company but such forfeiture may in any particular case at any time be annulled by the Directors at their discretion.

Unclaimed
Dividend.

ACCOUNTS

Accounts to be kept.

186. (a) The Directors shall cause to be kept proper books of account with respect to (1) all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place ; (2) all sales and purchases of goods by the Company ; (3) the assets and liabilities of the Company.

(b) Where Company has a branch office, the Company shall be deemed to have complied with the provisions of sub-clause (a) above if proper books of accounts relating to the transactions effected at the branch office are kept at the office and proper summarised returns, made up to dates at intervals of not more than three months are sent to the company at its registered office or other place referred to above.

(c) The books of accounts shall be kept at the registered office of the Company or at such other place or places at the Board thinks fit, and shall be open to inspection by the Directors, during business hours.

Limitation of right to inspect.

(d) The Board shall from time to time, determine, whether and to what extent and at what times and at places and under what conditions or regulations the account books and documents of the Company or any of them shall be open to inspection of the members not being directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company excepts as conferred by statute.

Balance Sheet and Profit & Loss Account

187. A Balance Sheet and Profit & Loss Account shall be made out once at least in every year and laid before the Company in Genetal Meeting made up to a date not more than nine months before such meetings.

Annual Report of Directors.

188. Every such Balance Sheet shall be accompanied by a Report by the Board of Directors as to the state of the Company's affairs and as to the amount, if any, which they recommend to be paid out of the profits by way of dividend or bonus to the members and the amount (if any) which it is proposed to carry to the resrve, depreciation or other special fund according to the provisions in that behalf hereinbefore contained. The Profit & Loss Account, Balance Sheet and Report shall be signed by the Managing Director and by at least two of the Directors.

Profit & Loss Account.

189. The Profit & Loss Account shall give a true and fair view of the Profit & Loss of the Company for the financial year and shall, subject to the provisions of Section 213 of the Act, comply with the requirements of Part II of Schedule VI, so far as they are applicable.

190. The Balance Sheet and the Profit & Loss Account shall be audited by the Auditors of the Company as hereinafter provided and the Auditors' report shall be attached thereto or there shall be inserted at the foot thereof a reference to the report and shall be open to inspection by any member of the Company.

Auditors'
Report.

191. A copy of such Account, Balance Sheet and Report as aforesaid and every other document required by law to be annexed or attached, to the Balance Sheet, shall, at least twenty one days previous to such meeting be served on every member of the Company in the manner in which notices are hereinafter directed to be served as also to every holder of debentures (not being bearer debentures) issued by the Company, to every trustee for holder of debentures, and a copy thereof shall be deposited at the registered office of the Company for the inspection of members for a period of twenty one days at least before such meeting.

Copy of Balance
Sheet and Report of
Directors to be sent
to Members.

192. The Company shall in all respects comply with the provisions of Sections 208 to 222 of the Act or any statutory modifications thereof for the time being.

193. Every account when audited and approved by a General Meeting shall be conclusive except so far as regards any error discovered therein before the audit of the next account and whenever such error is discovered within that period the account shall be forthwith corrected and henceforth shall be held to be conclusive.

Conclusiveness of
the Annual
Accounts.

AUDIT

194. Once at least in every the year the Accounts of the company shall be examined, and the correctness of the Profit & Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors.

Accounts to be
audited annually.

195. The Company at each Ordinary General Meeting shall appoint an Auditor or Auditors to hold office until the next Ordinary General Meeting, and the following provisions shall have effect, that is to say :-

Audit provisions.

(a) If any casual vacancy in the office of Auditor shall occur, the Directors shall fill up the vacancy by the appointment of a person who shall hold the office until such Meeting, but while any such vacancy continues the surviving or continuing Auditor or Auditors (if any) may act.

(b) A Director or Officer of the Company and a person who is interested otherwise than as a shareholder in any transaction of the Company shall not be capable of being appointed Auditor of the Company.

(c) The first Auditors of the Company may be appointed by the Directors before the first Ordinary General Meeting of the Company and the Auditors so appointed shall hold office until the first Ordinary General Meeting.

(d) Retiring Auditors shall be eligible for re-election.

(e) No person other than a retiring Auditor shall be eligible to the office of Auditor unless notice of an intention to propose him at an Ordinary General Meeting be given in accordance with the provisions of Section 225 of the Act.

Remuneration of Auditors.

196. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of Auditors appointed before the first General Meeting or to fill any casual vacancy may be fixed by the Board.

Rights and Duties of Auditors.

197.(1) Every Auditor of the Company shall have a right of access at all times to the Books and Accounts and Vouchers of the Company, and shall be entitled to require from the Directors and Officers of the Company such information and explanations as may be necessary for the performance of the duties of the Auditor.

(2) The Auditors shall make a Report to the Shareholders on the Account examined by them, and on every Balance Sheet laid before the Company in General Meeting during their tenure of office, and the Report shall state :—

(a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purposes of his audit ;

(b) Whether, in his opinion, proper books of account as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him ;

- (c) Whether the Company's Balance Sheet and Profit & Loss Account dealt with by the Report are in agreement with the books of account and returns.
- (3) Audit of accounts of branch office of the Company :-
- (i) Where a Company has a branch office, the accounts of that office shall, unless the Company in General Meeting decides otherwise, be audited by a person qualified for appointment as Auditor of the Company under Section 225 of the Act, or where the branch office is situate in a country outside India, either by a person qualified as aforesaid or by an Accountant duly qualified to act as an Auditor of the accounts of the branch office in accordance with the laws of that country.
 - (ii) Where the accounts of any branch office are not so audited, the Company's auditor :-
 - (a) shall be entitled to visit the branch office, if he deems it necessary to do so for the performance of his duties as Auditor ; and
 - (b) shall have a right of access at all times to the books and Accounts and Vouchers of the Company maintained at the branch office.

198. (a) Every account of the Company, when audited and approved by a General Meeting, shall be conclusive except as regards and error discovered therein within three months next after the approval thereof, whenever any such error is discovered within that period, the account shall forthwith be corrected and thenceforth shall be conclusive.

When Accounts to be deemed finally settled.

(b) The Company shall comply with the provisions of Sections 224 to 230 of the Act.

ANNUAL RETURNS

199. The Company shall make the requisite returns in accordance with the Act, and all statutory modifications and substitutions thereof.

NOTICES

How Notices
to be served
on Member.

200. A notice may be given by the Company to any member either personally or by sending it through the post addressed to such member at his registered address or (if he has no registered address in India) to his address, if any, within India supplied by him to the Company for the giving of notices to him.

Members
resident abroad.

201. Each holder of shares shall from time to time notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed his place of residence.

Members having no
registered address
in India.

202. As regards any member who has not notified in writing to the Company some place in India to be registered as his address a notice addressed to members generally and advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly given to such member on the day on which the advertisement appears.

How to be
advertised.

203. Any notice required to be or which may be given by advertisement shall be advertised once in one or more daily newspapers circulating in the neighbourhood of the registered office of the Company and the notice shall be deemed to be given on the date on which the advertisement first appears.

Notice to
Joint holders.

204. All notices shall with respect to any registered shares to which persons are jointly entitled be given to which ever of such persons is named first in the register and notice so given shall be sufficient notice to all the holders of such shares.

When notice by
Post deemed to be
served.

205. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting the envelope or wrapper containing the notice and, unless the contrary is proved, to have been effected, in case of a notice of a meeting, at the expiration of fortyeight hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post. A certificate in writing signed by any Director or other officer of the Company that the envelope or wrapper containing the notice was so addressed and posted shall be conclusive evidence thereof.

Transferees etc. bound
by prior Notices.

206. Every person who by operation of law or transfer or other means whatsoever shall become entitled to any share or stock shall be

bound by every notice in respect of such share or stock which previously to his name and address being entered on the Register shall be duly given to the person from whom he derives his title to such share or stock.

207. A notice may be given by the Company to the persons entitled 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 assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so applied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Notice in the case of death or insolvency of a Member.

208. Notice of every General Meeting shall be given in some manner hereinbefore authorised to (a) every member of the Company (including bearers of share warrants) except those members who (having no registered address within India) have not supplied to the Company an address within India for the giving to notices to them, and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency would be entitled to receive notice of the meeting. No other persons shall be entitled to receive notices of General Meeting.

Notice of General Meeting.

209. The signature to any notice to be given by the Company may be written or printed.

How Notice to be signed.

210. Where a given number of days' notice or notice extending over any other period is required to be given the day of service shall unless it is otherwise provided, be counted in such number of days or other period.

Days of Service

211. In the event of a winding-up of the Company every member of the Company who is not for the time being in Calcutta shall be bound with eight weeks after the passing of an effective resolution to wind-up the Company voluntarily or the making of an order for the winding-up of the Company to serve notice in writing on the Company appointing some householder residing in Calcutta upon whom all summons, notices processes, orders and judgements in relation to or under the winding-up of the Company may be served and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person and service upon any such appointee, whether appointed by the member or the liquidator,

Service of proces in Winding-up.

shall be deemed to be good personal service on such member for all purposes and where the liquidator makes any such appointment he shall with all convenient speed give notice thereof to such member by advertisement in some Calcutta daily newspaper, or by a registered letter sent through the post and addressed to such member at his address as mentioned in the Register of Members of the Company and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted. The provisions of this Clause shall not prejudice the right of the liquidator of the Company to serve any notice or other document in any manner prescribed by the regulations of the Company.

ARBITRATION

Reference to
Arbitration.

212. If and whenever any difference or dispute shall arise between the Company and any of the Members or their respective representatives touching the business of the Company or touching the construction of any Articles herein contained or any act, matter or thing made or done or to be made or done or omitted or in regard to the rights and liabilities arising hereunder or arising out of the relation existing between the parties by reason of these presents or of the status of any of them, such difference shall be forthwith referred to two Arbitrators, one to be appointed by each party in difference, or to an Umpire to be chosen by the Arbitrators before entering on the consideration of the matters referred to them and every such reference shall be conducted in Calcutta in accordance with the provisions of the Indian Arbitration Act, 1940.

WINDING-UP

Distribution of
Assets.

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

214. (1) If the Company shall be wound-up whether voluntarily or otherwise, the liquidators may, with the sanction of an Extra-ordinary Resolution, divide among the Contributories in speice or kind, any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the Contributories or any of them as the liquidators with the like sanction shall think fit.
- (2) If thought expedient any such division may be otherwise than in accordance with the legal rights of the Contributories (except where unalterable fixed by the Memorandum of Association), and in particular any class may be given preferential or special rights or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the Contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.
- (3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may, within ten days after the passing of the Extra-ordinary Resolution, by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

Distribution of
Assets in specie.

INDEMNITY

215. Subject to the limitations imposed by Section 201 of the Act, every Director, Managing Director, Secretary, Manager and other Officer or Auditors of the Company or their respective heirs, administrators or executors, shall be indemnified and secured harmless by the Company against all actions, costs, losses and expenses which they, or any of them, or any of their heirs, administrators or executors may incur or become liable to by reason of any contract entered into or act or thing done by him as such Officer or Auditor in any way in the

Indemnity.

discharge of his duties including travelling expenses and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the matters over all other claims.

Individual
responsibility of
Directors.

216. Subject to the limitation imposed by Section 201 of the Act, on Director, Managing Director, Secretary, Manager or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, Manager or Officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or tortious act of any person with whom any moneys, security or effects shall be deposited or for any loss or damage occasioned by any error of judgement or oversight on his part or any other loss, damage misfortune whatever shall happen in the executions of the duties of his office or in relation thereto unless the same happen through his own dishonesty.

SECRECY

Secrecy.

217. Every Director, Managing Director, Secretary, Manager, Auditor, Trustee, Member of a Committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Directors before entering upon his duties, sign a declaration pledging himself of 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 Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

MISCELLANEOUS

Capitalization.

218. The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits (including profits arising from realisations or appreciation in value of capital assets for the time being of the Company) standing to the credit of the Reserve Fund or any other Fund for the Company, or in the hands of the Company and available for dividend or representing premiums receive on the issue of shares be capitalized and distributed amongst the shareholders on the footing that they become entitled thereto as capital

and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stocks of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stocks and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interests in the said capitalized sum.

219. For the purpose of giving effect to any such resolution, the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and generally may make such arrangements for the acceptance, allotment and the sale of such shares, and fractional certificates, or otherwise as they may think fit, and may determine that cash payments shall be made to any members of the footing of the value so fixed or that fractions of less than Rs. 100/- may be disregarded in order to adjust rights and may vest such cash or specific trust for the persons entitled to the dividend or capitalized fund as may seem expedient to the Directors. When deemed requisite a proper contract shall be filled in accordance with the act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized sum and such appointment shall be effective.

Issue of Fractional
Certificates.

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

Evidence in action
by Company
against Members.

221. The Company shall file all Returns required to be filed by the Act. The Company shall maintain all proper books and registers required to be maintained by the Act.

Returns to be filed
and Registers to be
Maintained.

We, the several members whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Articles of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names :-

Names, Addresses and Descriptions of Subscribers.	Number of Shares taken	Name, Address and Description of Witness.
1. Karam Chand Thapar Merchant. 53/4, Hazra Road, Calcutta.	51	Pranab Kumar Roy Srvce-holder, 53/4, Hazra Road, Calcutta
2. Mohan Devi (Lady) 35/1, Ballygunj Circular Road, Calcutta.	51	
3. Sagar Chand Wadehra Merchant, 53/1, Hazra Road, Calcutta.	51	
4. For and on behalf of Karam Chand Thapar & Bros. Ltd. Sagar Chand Wadehra Manager, 53/4, Hazra Road, Calcutta.	601	
5. B. M. Thapar by his attorney Sagar Chand Wadehra 53/4, Hazra Road, Calcutta.	51	
6. For Karam Chand Thapar & Sons Ltd. Per Pro. Karam Chand Thapar & Bros. Ltd. H. D. Verma, Managing Agents. 53/4, Hazra Road, Calcutta.	601	
7. Hari Dutt Varma Service-holder 53/4, Hazra Road, Calcutta.	1	
	1407	

Dated, Calcutta, 31st March, 1943