



AN ISO 9001 : 2008 CO.

# Rama Steel Tubes Ltd.

Manufacturers & Exporters : ERW Steel Tubes (Black & Galvanised)

CIN No. : L27201DL1974PLC007114

Regd. Office

No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi-110092 Ph. : 011-43656667, 43656668 Fax : 011-43656699

E-mail : info@ramasteel.com, info@fence-steeltubes.com, Website : www.fence-steeltubes.com

March 02, 2016

To,

National Stock Exchange of India Ltd.

Exchange Plaza,

Plot no. C/1, G Block,

Bandra-Kurla Complex

Bandra (E)

Mumbai - 400 051

**Sub: Application for Sub-division of denomination of Equity Shares of the Company**

Dear Sir

This is to inform your good office that in terms of **Regulation 42 of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015**, the Company has fixed Tuesday, 15<sup>th</sup> March, 2016 as the record date for the purpose of ascertaining the eligibility of shareholders entitled for:

- Sub-division of One (1) Equity Share of face value of Rs. 10 each fully paid up into Two (2) equity shares of Rs. 5/- each fully paid-up.
- Receiving the Bonus Shares of the Company in the ratio of 4:1 (i.e. 4 bonus equity shares of Rs. 5/- each for every 1 existing equity share of Rs. 5/- each held)

For the purpose of facilitating the Exchange in taking note of the proposed sub-division of Equity Shares of the Company and disseminating the information about the same to the public, the following documents are attached herewith:

S. No.	Particulars	Annexure
1.	Notice pertaining to fixation of Record Date	A.
2.	An undertaking stating the date on which the new equity shares will be credited to the beneficiary accounts of the shareholders.	B.
3.	Copy of Equity Share Certificate (post face value split)	C.
4.	Certified true copy of the Notice convening the EGM of shareholders where the subdivision of equity shares of Rs. 10/- each into equity shares of Rs.5/- each was proposed.	D.
5.	Statement containing details of issued and paid up equity share capital (No. of Equity Shares) before face value split & after	E.

For RAMA STEEL TUBES LTD.

*[Signature]*  
Company Secretary



	face value split along with Post face value split distinctive numbers of Equity Shares	
6.	Certified true copy of the resolution passed at the EGM for subdivision of equity shares of Rs. 10/- each into equity shares of Rs. 5/-each.	<b>F.</b>
7.	Certified true copies of amended Memorandum and Articles of Association.	<b>G.</b>
8.	ISIN code for the equity shares post sub-division of Face Value of equity Shares	In this regard, we wish to inform you that the same shall be issued by the Depositories upon issuance of Public Notice for Record Date by your good office.
9.	Credit Confirmation from the Depositories with regard to sub-division of Equity Shares from Rs. 10/- to Rs. 5/- per share	The Company undertakes to submit the same upon into effect of sub-division of Equity Shares.

We have made a net payment of Rs. 26,125/- through NEFT vide UTR No. **P16030257837388** from CANARA BANK. Details of payment is given below:

S.No.	Particulars	Fees(Rs.)	Add: Service Tax and Swachh Bharat Cess @14.5% (Rs.)	Less: TDS (Rs.)	Total (Rs.)
1	Processing Fees	25,000/-	3,625/-	2,500/-	26,125/-

The Company hopes the above documents will suffice the requirement of the Exchange and request your goodself to issue notice in respect of record date for the aforesaid sub-division at the earliest to enable the Company to take further steps for obtaining ISIN from the depositories.

Thanking You

Yours faithfully,

**For Rama Steel Tubes Limited**

*Kapil Datta*

**Kapil Datta**

**Company Secretary**

**M.No. A36851**







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E-mail : info@ramasteel.com, info@fence-steeltubes.com, Website : www.fence-steeltubes.com

## Annexure A

March 01, 2016

To,  
General Manager,  
Listing Operation,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

To,  
Manager - Listing Compliance  
National Stock Exchange of India Limited  
'Exchange Plaza'. C-1, Block G,  
BandraKurla Complex, Bandra (E),  
Mumbai - 400 051

**Sub: Intimation with regard to fixation of Record Date in terms of Regulation 42 of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015**

Dear Sir/Madam,

This is to inform your good office that in terms of **Regulation 42 of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015**, the Company has fixed Tuesday, 15<sup>th</sup> March, 2016 as the record date for the purpose of ascertaining the eligibility of shareholders entitled for:

- (a) Sub-division of One (1) Equity Share of face value of Rs. 10 each fully paid up into Two (2) equity shares of Rs. 5/- each fully paid-up.
- (b) Receiving the Bonus Shares of the Company in the ratio of 4:1 (i.e. 4 bonus equity shares of Rs. 5/- each for every 1 existing equity share of Rs. 5/- each held)

You are requested to kindly take the above information in your records

For Rama Steel Tubes Limited



Kapil Datta  
Company Secretary  
M.No. A36851







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## Annexure B

### Undertaking

I, Kapil Datta, being the Company Secretary of the Company, M/s. **Rama Steel Tubes Limited**, with regard to sub-division of face value of Rs. 10/- each to face value of Rs. 5/- each, do hereby undertake that the new equity shares will be credited to the beneficiary accounts of the shareholders by 22<sup>nd</sup> March 2016.

For Rama Steel Tubes Limited



Kapil Datta

Company Secretary



Date: 01.03.2016

Place: New Delhi



FORM NO. SH.1

Share Certificate

[Pursuant to sub-section (3) of section 46 of the Companies Act, 2013 and rule 5(2) of the Companies (Share Capital and Debentures) Rules 2014]

Rama Steel Tubes Limited

Corporate Identification Number : L27201DL1974PLC007114

(Incorporated under the Companies Act, 1956)

Registered Office: No. 7, 1<sup>st</sup> Floor, Surya Niketan, Vikas Marg, New Delhi-110092

This is to certify that the person(s) named in this Certificate is/are the Registered Holder(s) of the within mentioned share(s) bearing the distinctive number(s) herein specified in the above named Company subject to the Memorandum and Articles of Association of the Company and the amount endorsed herein has been paid up on each such share.

EQUITY SHARES EACH OF	Rs. 5.00
AMOUNT PAID-UP PER SHARE	Rs. 5.00

Issued in lieu of Share Certificate No.

Register Folio No:	Certificate No:
Name(s) of the Holder(s):	
No. of shares held:.....	.....
(in words)	(in figures)
Distinctive No.(s): From..... To..... (Both inclusive)	

Given under the common seal of the Company this..... day of..... 20.....

DIRECTOR

DIRECTOR

SECRETARY/AUTHRISED SIGNATORY

Note: No transfer of the Share(s) comprised in the Certificate can be registered unless accompanied by this Certificate.

For RAMA STEEL TUBES LTD.

*[Signature]*  
Company Secretary





# RAMA STEEL TUBES LIMITED

Registered Office: No. 7, 1<sup>st</sup> Floor, Surya Niketan,  
Vikas Marg, New Delhi-110092

Phone: 011-43656667, 43656668 Fax: 011-43656699

Website: www.fence-steeltubes.com

## NOTICE

Notice is hereby given that the Extra-Ordinary General Meeting of the members of Rama Steel Tubes Limited will be held on Tuesday, the 1<sup>st</sup> day of March, 2016 at 11.30 a.m. at No.7, 1<sup>st</sup> Floor, Surya Niketan, Vikas Marg, New Delhi-110092 to transact the following businesses:-

### Special Business

**Item No. 1 : Sub-Division of Equity Shares from the face value of Rs.10/- per share to Rs.5/- per share**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to provisions of Section 61(1)(d) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate statutory authority(ies), each of the Equity Shares of the Company having a face value of Rs. 10/- each fully paid up, be sub-divided into TWO equity shares of Rs. 5/- each fully paid up.

**RESOLVED FURTHER THAT** pursuant to the Sub-division of equity shares of the Company, the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of nominal value of Rs. 10/- (Rupees Ten Only) each, shall stand sub-divided into 2 (Two) Equity Shares of nominal value of Rs. 5/- (Rupees Five Only) each.

**RESOLVED FURTHER THAT** upon the sub-division of the Equity Shares as aforesaid, the Existing Share Certificate(s) in relation to the existing Equity Shares of the face value of Rs.10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may without requiring the surrender of the existing Share Certificate(s) directly issue and dispatch the new Share Certificate(s) of the Company, in lieu of such existing issued Share Certificate(s) and in case of the Equity Shares held in dematerialized form, the number of sub-divided Equity Shares be credited to their respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

**RESOLVED FURTHER THAT** the Board of Directors of the Company ("the Board"), (which expression shall also include a Committee thereof) be and is hereby jointly/severally authorized to do, perform and execute all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all necessary documents with the Stock



1

For RAMA STEEL TUBES LTD.

*[Signature]*  
Company Secretary





Exchanges and the Depositories, and/or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the subdivision of the equity shares as aforesaid or for any matters connected herewith or incidental hereto."

**Item no. 2 : Increase in Authorized Share Capital**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

**RESOLVED THAT**, pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 (including any re-enactment(s) and modification(s) made there under, if any, for the time being in force) and the provision of Memorandum and Articles of Association of the Company and the Equity Listing Agreement entered into with the Stock Exchanges by the Company subject to such other approvals, consent, permissions and sanction if any, as may be required from the concerned Stock Exchanges or any other Authority under any other Law for the time being in force, the authorized share capital of the Company be and is hereby increased to Rs. 10,00,00,000 (Rupees Ten crore only) divided into 1,50,00,000 (One crore fifty Lakhs only) equity shares of Rs.5 (Rupees five only) each and 25,00,000 (Twenty five Lakhs only) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 (Rupees Ten only) each from Rs. 4,00,00,000 (Rupees Four Crore only) divided into 30,00,000 (Thirty Lakhs only) equity shares of Rs.5 (Rupees five only) each and 25,00,000 (Twenty five Lakhs only) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 (Rupees Ten only) each.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to sign the necessary documents and file requisite e-Forms and all other necessary documents with concerned Registrar of Companies and to do all acts, deeds, and things as may be necessary to carry out above purpose.

**Item no. 3 : Alteration of the Capital Clause of the Memorandum of Association**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:**

**RESOLVED THAT**, pursuant to provisions of Section 13 and Section 61 and other applicable provisions of the Companies Act, 2013, and rules issued there under (including any statutory modification or re-enactment thereof for the time being in force), the existing Clause 5 of the Memorandum of Association of the Company be and is hereby amended and substituted by the following:

5. The Authorized Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten crore only) divided into 1,50,00,000 (One crore fifty Lakhs only) equity shares of Rs.5 (Rupees five only) each and 25,00,000 (Twenty five Lakhs only) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 (Rupees Ten only) each.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above said resolution, Mr. Naresh Kumar Bansal, Managing Director, Mr. Richi Bansal, Director and Mr. Kapil Datta, Company





Secretary and Compliance officer of the Company be and is hereby severally authorized to take necessary steps and actions as may be necessary and give such directions as may be necessary and execute all documents, deeds and writings, including but not limited to preparing, executing and filing necessary forms, applications, documents with Registrar of Companies, stock Exchanges, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose.

**Item no. 4 : Approval for the Issue of Bonus Shares**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:**

**RESOLVED THAT**, pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the Companies (Share Capital and Debentures) rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Foreign Exchange Management Act, 1999 (FEMA) including Regulations and Circulars issued therein, the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors of the Company and subject to the regulations and guidelines issued by Securities and Exchange Board of India (SEBI), including SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time) and applicable Regulatory Authorities, and such permissions, sanctions and approvals as may be required in this regard, consent of the Members be and is hereby accorded to the Board for capitalization of such sum standing to the credit of the free reserves of the Company, as may be considered necessary by the Board, for the purpose of issuance of bonus shares of Rs. 5/- (Rupees five only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company, whose name appears in the Register of Members maintained by the Company's Registrar and Transfer Agent / List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be fixed in this regard by the Board, in the proportion of 4 (four) equity share for every 1 (one) existing equity share held by the Members.

**RESOLVED FURTHER THAT**, the bonus shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company and shall always be subject to the terms and conditions in the Memorandum and Articles of the Association of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby jointly/severally authorized to perform and execute all such acts, matters, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution, including but not limited to filling of necessary forms with the Registrar of the companies and to comply with all other requirements in this regards and for any matter connected herewith or incidental hereto.”.

**By order of the Board of Directors  
For Rama Steel Tubes Limited**

**New Delhi  
January 27, 2016**

**NARESH KUMAR BANSAL  
Managing Director**

**For RAMA STEEL TUBES LTD.**

**3**

  
**Company Secretary**





**Notes :**

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 1 to 4 of the Notice, is annexed hereto.
2. **A member entitled to attend and vote at the Extra-Ordinary General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.** The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Members are requested to bring their attendance slip to the Meeting.
4. Information and other instructions relating to e-voting are as under :
  - i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
  - ii. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - iii. The Board of Directors of the Company has appointed Mr. Vipin Aggarwal, a Practicing Chartered Accountant, Partner, VAPS & Company, New Delhi as Scrutinizer to scrutinize the voting at EGM and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
  - iv. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. February 23, 2016.
  - v. The e-voting period commences on Saturday, 27<sup>th</sup> February, 2016 (9.00 a.m. IST) and ends on Monday, 29<sup>th</sup> February, 2016 (5.00 p.m. IST). During this period, Members may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on February 23, 2016 i.e. the cut-off date.
  - vi. The instructions and other information for e-voting are as under:
    - (a) Open email and open PDF file with your Client ID or Folio No. as password. The PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
    - (b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>





- (c) Click on "Shareholder – Login".
- (d) Put user ID and password as initial password/PIN noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- (e) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (f) Home page of "e-voting" opens. Click on e-Voting: Active Voting Cycles.
- (g) Select "EVEN" of Rama Steel Tubes Limited.
- (h) Now you are ready for e-voting as "Cast Vote" page opens.
- (i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (j) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (k) Once you have voted on the resolution, you will not be allowed to change /modify your vote.
- (l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [vipin\\_1960@hotmail.com](mailto:vipin_1960@hotmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

**Please note that:**

- Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
- Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended that you do not share your password with any other person and take utmost care to keep it confidential.

**Explanatory Statement**

**(Pursuant to section 102 of the Companies Act, 2013)**

As required under Section 102 of the Companies Act, 2013 (Act), the following explanatory statements set out all material facts relating to the businesses mentioned under Item nos. 1 to 4 of the accompanying Notice:

For RAMA STEEL TUBES LTD.

*K. Patta*  
Company Secretary







**Item no. 1 and 4**

The equity shares of your Company are listed and actively traded on The National Stock Exchange of India Limited and the BSE Limited.

With a view to encourage participation of small investors by making equity shares of the Company affordable and at the same time enhancing the liquidity of the Company's equity shares with higher floating stock in absolute numbers thereby expanding the retail shareholders base on one hand and at the same time considering the favourable position of Reserves and Surplus, the Board of Directors in their meeting held on January 27, 2016 has considered it desirable to recommend sub-division of its Equity Shares of Rs. 10/- each into two equity shares of Rs.5/- each and a bonus issue of 4 (four) equity share for every equity share held as on the 'record date' to be determined by the Board.

None of the Directors / Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any. The Board recommends the resolution set forth in Item no. 1 and 4 for the approval of the members as an Ordinary Resolution and Special Resolution respectively.

**Item no. 2 and 3**

Presently, the authorized share capital of your Company is Rs.4,00,00,000 (Rupees four crore only) divided into 15,00,000 (Fifteen Lakhs only) equity shares of Rs. 10 (Rupees Ten only) each and 25,00,000 (Twenty five Lakhs only) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 (Rupees Ten only) each.

The Board recommends sub-division of equity shares of Rs. 10/- each into denomination of Rs. 5/- each, subject to approval of members of the Company. Accordingly, pursuant to the said sub-division, the authorized share capital of your Company will be Rs. 4,00,00,000 (Rupees four crore only) divided into 30,00,000 (Thirty Lakhs only) equity shares of Rs.5 (Rupees five only) each and 25,00,000 (Twenty five Lakhs only) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 (Rupees Ten only) each.

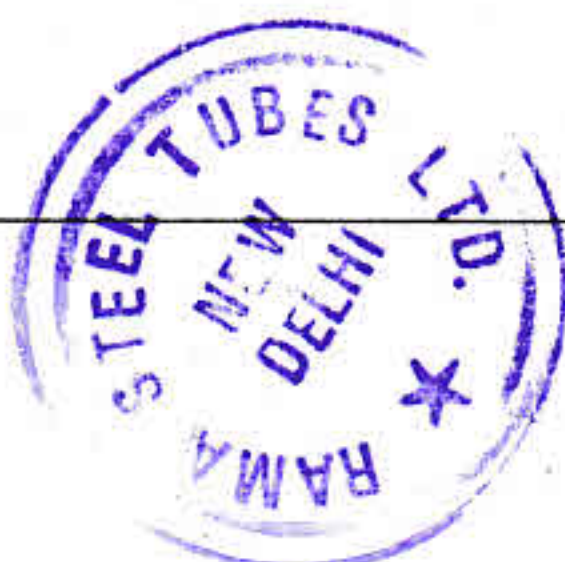
Thereafter, pursuant to the issuance of bonus shares as set out in Item No. 4 would require increase in the authorized capital of the Company to Rs. 10,00,00,000 (Rupees Ten crore only) divided into 1,50,00,000 (One crore fifty Lakhs only) equity shares of Rs.5 (Rupees five only) each and 25,00,000 (Twenty five Lakhs only) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 (Rupees Ten only) each and consequential amendments to the existing Clause 5 of the Memorandum of Association

None of the Directors / Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any. The Board recommends the resolution set forth in Item no. 2 and 3 for the approval of the members as an Ordinary Resolution and Special Resolution respectively.

**By order of the Board of Directors  
For Rama Steel Tubes Limited**

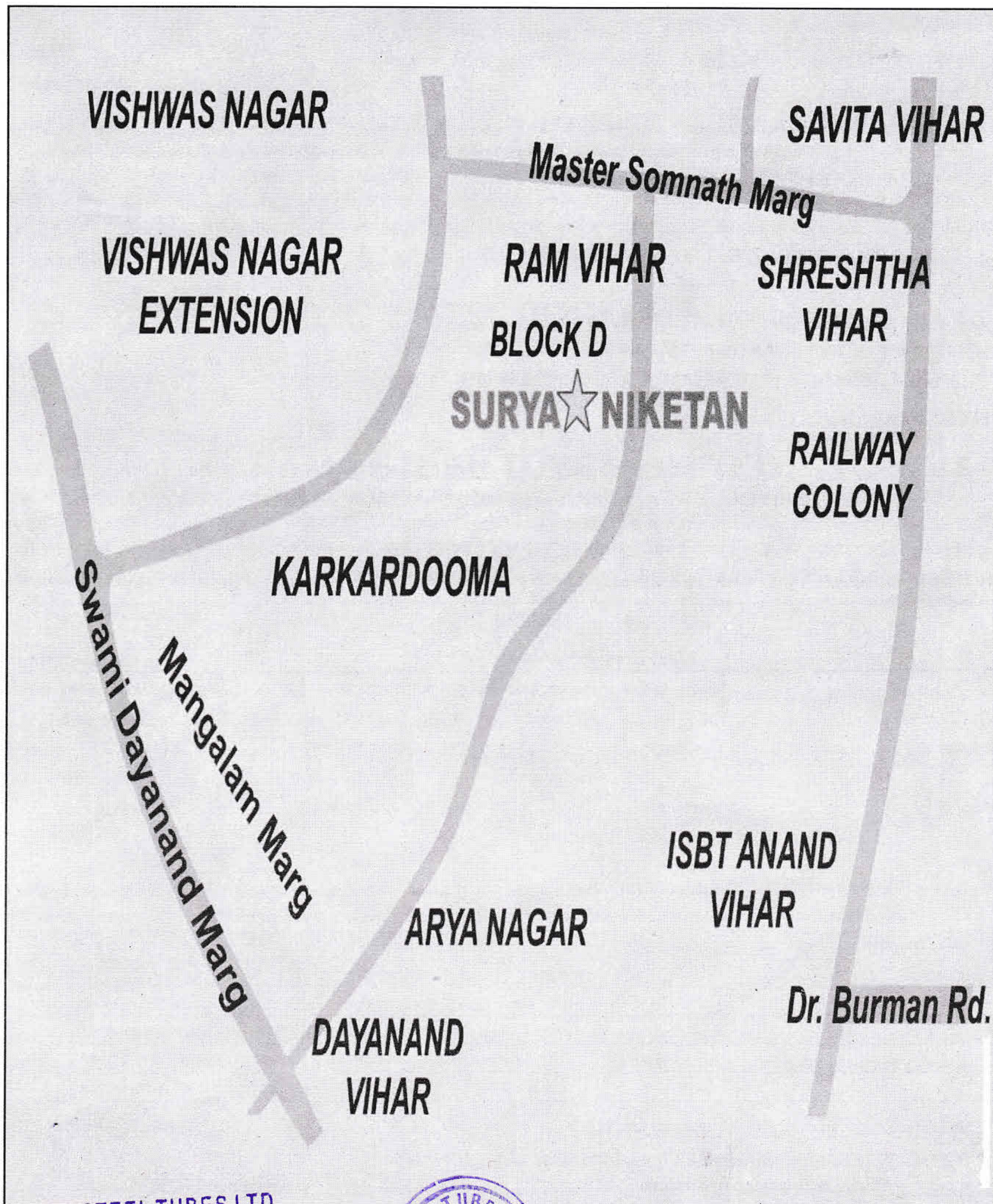
New Delhi  
January 27, 2016

**NARESH KUMAR BANSAL  
Managing Director**





## ROUTE MAP TO THE VENUE OF THE EGM



For RAMA STEEL TUBES LTD.

*K. Patta*  
Company Secretary







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# Rama Steel Tubes Ltd.

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## Annexure E

### Statement showing details of Equity Shares both pre and post sub-division

#### 1. Details of Equity Share Capital

<i>Particulars</i>	<i>Issued Capital</i>	
	<i>No. of shares</i>	<i>Amount (Rs.)</i>
Before this issue	14,93,400	1,49,34,000
After this issue	29,86,800	2,98,68,000

<i>Particulars</i>	<i>Paid-up Capital</i>	
	<i>No. of shares</i>	<i>Amount (Rs.)</i>
Before this issue	14,93,400	1,49,34,000
After this issue	29,86,800	2,98,68,000

#### 2. Details of Distinctive Numbers

	<i>From</i>	<i>To</i>	<i>No. of shares</i>
Fully Paid	1	1493400	14,93,400
Partly Paid	-	-	-
<b>Total No. of shares</b>			<b>14,93,400</b>

For Rama Steel Tubes Limited

*Kapil Datta*

Kapil Datta

Company Secretary



Date: 01.03.2016

Place: New Delhi





AN ISO 9001 : 2008 CO.

# Rama Steel Tubes Ltd.

Manufacturers & Exporters : ERW Steel Tubes (Black & Galvanised)

CIN No. : L27201DL1974PLC007114

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E-mail : info@ramasteel.com, info@fence-steeltubes.com, Website : www.fence-steeltubes.com

ANNEXURE - F

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE MEMBERS OF RAMA STEEL TUBES LIMITED IN EXTRA ORDINARY GENERAL MEETING HELD ON MARCH 01, 2016 AT NO. 7, 1<sup>ST</sup> FLOOR, SURYA NIKETAN, VIKAS MARG, NEW DELHI - 110 092**

**ITEM NO. 1 - Sub-Division of Equity Shares from the face value of Rs.10/- per share to Rs.5/- per share**

**RESOLVED THAT** pursuant to provisions of Section 61(1)(d) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate statutory authority(ies), each of the Equity Shares of the Company having a face value of Rs. 10/- each fully paid up, be sub-divided into TWO equity shares of Rs. 5/- each fully paid up.

**RESOLVED FURTHER THAT** pursuant to the Sub-division of equity shares of the Company, the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of nominal value of Rs. 10/- (Rupees Ten Only) each, shall stand sub-divided into 2 (Two) Equity Shares of nominal value of Rs. 5/- (Rupees Five Only) each.

**RESOLVED FURTHER THAT** upon the sub-division of the Equity Shares as aforesaid, the Existing Share Certificate(s) in relation to the existing Equity Shares of the face value of Rs.10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may without requiring the surrender of the existing Share Certificate(s) directly issue and dispatch the new Share Certificate(s) of the Company, in lieu of such existing issued Share Certificate(s) and in case of the Equity Shares held in dematerialized form, the number of sub-divided Equity Shares be credited to their respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

**RESOLVED FURTHER THAT** the Board of Directors of the Company ("the Board"), (which expression shall also include a Committee thereof) be and is hereby jointly/severally authorized to do, perform and execute all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all necessary documents with the Stock Exchanges and the Depositories, and/or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the subdivision of the equity shares as aforesaid or for any matters connected herewith or incidental hereto."

For Rama Steel Tubes Limited



(Kapil Datta)  
Company Secretary



Date: 01.03.2016



**Memorandum  
and  
Articles of Association**

Certified True Copy  
For RAMA STEEL TUBES LTD.  
*[Signature]*  
Company Secretary

**RAMA STEEL TUBES LIMITED**



[illegible]



*The Word 'Private' deleted  
u/s 43 A (I-A) of the  
Companies, Act, 1956*

Sd/-  
(B.M. Anand)



सत्यमेव जयते

सहायक कम्पनी रजिस्टार  
दिल्ली एवं हरियाणा

Form I.R.

**CERTIFICATE OF INCORPORATION**

*No 7114 of 1973-74*

I hereby certify that RAMA STEEL TUBES LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1951) and that the Company is Limited.

Given under my hand at NEW DELHI this TWENTY SIXTH (7th) day of FEBRUARY (PHALGUNA) One thousand nine hundred and Seventy Four (SAKA-1895).

SEAL

Registrar of Companies  
Delhi & Haryana

(Sd/- S. KUMAR)

Registrar of Companies  
DELHI & HARYANA

For RAMA STEEL TUBES LTD.

*K. Datta*  
Company Secretary







# **Memorandum of Association**

*Patel*  
Company Secretary

**OF**

## **RAMA STEEL TUBES LIMITED**

1. The name of the Company is "RAMA STEEL TUBES LIMITED".
2. The Registered Office of the Company will be situated in the Union Territory of Delhi
3. (A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-
  1. To manufacture, Process, design, buy sell, import, export or otherwise deal in all kinds of Steel Tubes/pipes, pipe fittings, Components, accessories, and all kinds of hardware items made of steel, to carry on the business of galvanisers, and Jappanners, re-rollers annealers, enamellers, and electroplaters, and to manufacture, process, repair, convert, buy, sell, import, export or otherwise deal in such products, their raw materials, stores, packing materials, tools, plants, and machineries by products and commodities.
  2. To carry on the business to manufacture, process, design, import, export sell, buy or otherwise deal in all kinds of tubes/pipes, all kinds of components, accessories and other items required in furniture making and manufacture, process, design, repair, alter, import, export, buy & sell or otherwise deal in all kinds of furniture made of steel tubes, steel sheets.
- (B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE :-
  1. To carry on the business of iron foundries mechanical engineers, tools, smiths, and to buy and sell, iron and steel of all kinds as may be necessary for the purpose of the Company.
  2. To carry on the business of manufacturers of or and dealers in all kinds of tubes, pipes, iron and steel bars, wire and other allied products for the purpose of the Company
  3. To carry on any other business whether manufacturing or otherwise, that may seem necessary to the Company and capable of being conveniently carried on in connection with the objects in this memorandum contained or calculated, directly or indirectly, to enhance the value of or render profitable any of the



Company's property or rights, of which it may be advisable to undertake or turning to account, any property real or personal belonging to the Company in which the Company may be interested.

4. To undertake and execute any contracts for works involving the supply or use of any metals, metal products, machinery and material and other products or things which the company manufacture or deal in or which are capable of being used in connection with manufacture, maintenance, working and use thereof, and to carry out any ancillary or other worked (manufacturing or otherwise) comprised in such contracts.
5. To acquire for the purpose of the Company by purchase, lease, exchange or otherwise any estates, lands, buildings, and hereditaments of any tenure or description and any estate or interest therein, and any rights over or connected with land, and either to retain the same for the purpose of the Company's business or to turn the same to account as may seem expedient.
6. To lend money, either with or without security and generally to such persons and upon such terms and conditions as the Company may think fit and also to invest the money of the company not immediately required in such manner as from time to time may be determined, provided that the Company shall not carry on the business of banking as provided in the Banking Regulation Act, 1949.
7. To apply for purchase or otherwise acquire any patents, licences, breveted invention, concessions and the like conferring an exclusive or non-exclusive or limited rights to use the same or any secret or other information, as to any invention, which may seem capable of being used for any of the purpose of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences, in respect of or otherwise turn to account the property, rights or information so acquired.
8. To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interests, cooperation, jointventure, reciprocal concession, or for limiting competition or otherwise, with any person, firm or company carrying on or engaged in, or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company, and to take or otherwise acquire shares and other securities of any such company, and to sell, hold, reissue or otherwise deal with the same.



9. To manufacture, import, export, buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, substances, materials, and things, necessary or convenient for carrying on any of the specified business or proceedings, or usually dealt in by persons engaged in the like business as stated in the main objects.
10. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and granting prizes, rewards and donations, but not any donation to any political party or for any political purpose.
11. To receive moneys on deposits or loans for the business of the Company upon such terms as the Company may think fit, provided the Company shall not carry on any banking business as defined in the Banking Regulation Act, 1949.
12. To borrow or raise or secure the payment of money in such manner as the Company may think fit and in particular by the issue of debentures and to secure the payment of any money borrowed, raised, or owing by mortgages, charge or lien upon all or any of the properties or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person, firm or Company of any obligation undertaken by the Company or any other person, firm or company as the case may be.
13. To invest and deal with the moneys of the Company not immediately required for the objects of the Company in such manner as may from time to time be determined.
14. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business of the dependents or connections of such persons, and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee moneys for charitable or benevolent objects or for any exhibition or for any public, general or useful objects. No subscription/ contribution shall be made for any exhibition or association which may serve the cause of any political party or political purpose.
15. To acquire and undertake all or any part of the business, property and liabilities of any person or company carrying on any business which this Company is



authorised to carry on, or possessed of property suitable for the purposes of the Company.

16. To enter into any arrangements with any Government, or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them, and to obtain from any such government or authority all rights, concessions and privileges, which the Company may think it desirable, to obtain and to carry out, exercise, and comply with any such arrangements, rights, privileges and concessions.
17. Generally to purchase, take on lease, or in exchange, hire or otherwise acquire any movable or immovable property, and any rights or privileges which the Company may think necessary or convenient or capable of being profitably dealt with in connection with any of the Company's property of rights for the time being.
18. To sell or dispose of the undertaking of the Company, or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures, or securities of any other company having objects altogether or in part, similar to those of this Company.
19. To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company, or carrying on any allied business capable of being conducted so as directly or indirectly to benefit this Company.
20. To undertake and execute any trusts, the undertaking of which may seem to the Company desirable, either gratuitously or otherwise.
21. To experiment and to incur expenses necessary for the purpose and with a view to improve on the present methods and process of working the several businesses which Company is authorised to carry on, and to carry on research for improving, development or effecting economy and greater efficiency in the methods and processes for the production, manufacture, working or trading or dealing in the various products, metals, machinery, articles and things or any other business which the Company is authorised to carry on.
22. To pay out of the funds of the Company all expenses of or incidental to the formation, incorporation, organisation and establishment of the Company and remunerate any person, firm or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures or otherwise of or incidental



to the formation or promotion of the Company or the conduct of its business.

23. To draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instrument and securities.
24. To remunerate any person or company for services rendered, or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures, debenture-stock or other securities of the Company, or in or about the formation or promotion of the Company, or the acquisition of property by the Company, or the conduct of its business, subject to Section 76 of the Companies Act, 1956.
25. To distribute in specie or kind any properties of the company among the members in the event of winding up of the Company.
26. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal in all or any part of the property and rights of the Company.
27. To pay for any rights or property acquired by the Company, and to remunerate any person, Company and others whether by cash-payment or by allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.
28. To open account or accounts with any scheduled bank or bankers or shroffs and to pay into and withdraw money from such account or accounts.
29. To establish or promote or concur in establishing or promoting any company whether in India or elsewhere for the purpose of acquiring all or any of the properties, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to pay all or any of the costs and expenses incurred in connection with such promotion and to place or guarantee the placing of under-write, subscribe for or otherwise acquire all or any part of the shares debentures or other securities of any such company and to subsidize or otherwise assist any such company.
30. To make grant or aid to such person or institution either of cash or any other assets as may be thought, directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular, to remunerate any person or corporation introducing business to this company and to



establish and support for benefit of the employees or of persons having dealing with the company or the dependants, relatives or connections of such persons and in particular benefit, societies and to grant pensions, allowance, gratuity and bonus either by way of annual payments or a lump sum, and to make payments towards insurance, and to form and contribute to provident and benefit funds, to or for such persons.

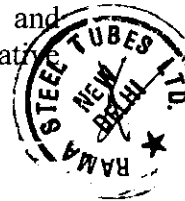
31. To create any reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the company or for any purpose conducive to the interest of the company.
32. To distribute as dividend or bonus among the members or to place to reserve or otherwise to apply as the Company may from time to time think fit, any money received be way of premium on shares or debentures issued at a premium by the Company and any money received in respect of dividends accrued on forfeited shares and money arising from the sale by the company of forfeited shares or from unclaimed dividends subject to the provisions of the Companies Act, 1956.
33. To take part in the supervision, control and working of the business or operations of any person, firm company or other undertaking carrying on similar business and for such purpose or purposes to appoint and remunerate any officers, directors, managers, accountants, engineers, or other experts or agents.
34. To procure the registration or other recognition of the Company in any country or place in any part of the world.
35. To do all or any of the above things in any part of the world as principal, agents, contractors or otherwise, and by or through trustee, agents or otherwise, and either alone or in conjunction with others as may appear to be incidental or conducive to the attainment of the main objects.

(C) THE OTHER OBJECTS OF THE COMPANY ARE AS FOLLOWS-

1. To carry on the business of manufacturers or processors and/or importers, exporters, buyers, sellers, stockists and distributors of and/or dealers in all or any of the following-
  - (a) Elastomers, synthetic resins, carbon black, leather hides and skins, plastics-latexes, and formulations thereof and other kinds of resins and plastic products and goods.



- (b) All types of compounds, drugs, dyewares, disinfectants and of electrical, photographic, surgical and scientific apparatus and materials.
  - (c) Colours, paints, varnishes, lacquers and pigments.
  - (d) Paper, newsprint, paper board, straw board, hard-board, fibre board, chipboard, corrugated paper, transparent papers, craft paper, carbons, inks, parchment and corks.
2. To carry on the business of owning and operation of cold storage and other warehouses or plants and ice plants and any business related or connected therewith; to raise, prepare, process, manufacture and render marketable, buy, sell and otherwise deal in all garden, farm agricultural products and dairy products, meat, an meats products, fish and fish products and to grow, produce, manufacture, process, can, freeze, preserve, import, export, buy, sell and deal in all kinds of food and food products and preparations thereof, fruits, vegetables, grains, meats, fish extracts, provisions of all kinds and all other products of the field, farm,, forest, lakes, rivers, and seas.
  3. To carry on business of suppliers of plants, machinery and equipment, stores, tools, gadgets, devices, contraptions, instruments, spares and components and to develop, acquire, supply plans, drawings, estimates, projects reports and know-how for industries, business, companies, service and public bodies and governments.
  4. To carry on business as concessionaires, financiers, merchants, and to undertake and carry on and execute all kinds of financial, commercial trading and other operations and in that the Company shall not be carrying on banking business as defined in the Banking Regulation Act, 1949.
  5. To carry on the business as Dealers, Commission Agents, Underwriters of Stocks, Shares, Debentures of other Companies, Stockists, Distributors, Importers, Exporters, Sellers, Buyers of the products of other companies.
  6. To carry on the business of forward Trading in Stock, Shares, Iron, Steel and other types of goods and commodities as permissible by law from time to time.
4. The liability of the members is limited.
  5. The Authorized Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten crore only) divided into 1,50,00,000 (One crore fifty lakhs only) equity shares of Rs.5 (Rupees five only) each and 25,00,000 (Twenty Five Lakhs only) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 (Rupees Ten only) each.





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

Sl. No.	Name, address description & occupation of subscribers	No. of shares taken by each subscribers	Signature of subscribers	Name, address description and signature of witness
1	Harbans Lal Bansal, s/o Sh. Ram Lal 39/41, Punjabi Bagh, New Delhi-110026 Occp : (Business)	50	Sd/-	Sd/- (S. K. Rawal) Chartered Accountant J-143, Ashok Vihar Delhi
2	Mohan Lal, s/o Shri Ram Lal House No. 389, 6 New Town, Moga (Pb.) Occp : (Business)	50	Sd/-	
3	Jaswant Rai, s/o Shri Ram Lal B-XVII-234, Bharat Nagar Chowk, Ludhiana (Pb.) Occp : (Business)	50	Sd/-	
4	Raj Kumar, s/o Shri Ram Lal, 6, New Town, H. No. 389, Moga Occp : (Business)	50	Sd/-	
5	Sudershan Kumar s/o Ram Lal B-XVII-234, Bharat Nagar Chowk, Ludhiana Occp : (Business)	50	Sd/-	
6	Naresh Kumar Bansal s/o Sh. Harbans Lal Bansal 39/41, Punjabi Bagh, New Delhi-110026 Occp : (Business)	50	Sd/-	
		Total 300		

Dated this 12th day of February, 1974



(THE COMPANIES ACT, 1956)

(PUBLIC COMPANY LIMITED BY SHARES)

# **Articles of Association**

OF

## **RAMA STEEL TUEBS LIMITED**



The marginal notes hereto shall not affect the construction hereof. In these *Interpretation* presents, unless there be something in the subject or context inconsistent therewith:

"The Company" means 'RAMA STEEL TUBES LIMITED'.

"The Company Act" or "the Act" means the Companies Act, 1956 and other Statutory modification or re-enactments thereof for the time being in force.

"The Office" means the Registered Office for the time being of the Company.

"The Register" means the Register of members to be kept in pursuant to section 150 of the Companies Act.

"The Writing" or "Written" means and includes works printed, lithographed, represented or reproduced in any mode in a visible form.

"Dividend" includes Bonus Shares.

"Months" means a calendar month.

"Ordinary Resolution" and "Special Resolution" have the meanings assigned thereto respectively by Section 189 of the Companies Act.

"The Directors" means the Directors for the time being of the Company or as the case may be the directors assembled at a meeting or a committee thereof.

"The Board of Directors" or "The Board" means the Board of Directors for the time being of the Company.

"Proxy" includes attorney duly constituted under a Power of Attorney.

FOR RAMA STEEL TUBES LTD.

*[Signature]*  
Company Secretary



"Executor" or "Administrator" means a person who has obtained probate or letters of Administration, as the case may be from some competent court.

"Paid-up" shall include credited as paid up.

"Shares" means the Shares or Stock into which the capital is divided and the interest corresponding which such shares or stock.

"Persons" including Bodies, corporation and Companies as well as individuals.

"Seal" means the Common Seal for the time being of the Company.

"Regulations of the Company" means the regulation for the time being in force for the management of the Company.

"These Articles" means these Articles of Association as originally framed or as from time to time altered by Special Resolution.

"The Memorandum" means the Memorandum of Associations as originally framed or as from time to time altered.

"Financial year" means, in relation to any body corporate, the period in respect of which any profit and loss account of the body corporate laid before it in Annual General Meeting is made up, whether that period is a year or not.

Words purporting the singular number include the plural number and vice versa.

Words purporting the masculine gender also include feminine gender.

Subject as aforesaid, any words or expression defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

"The Managing Director" means the managing Director appointed as such for the time being of the Company.

"Capital" means the Capital for the time being raised or authorised to be raised for the purpose of the Company.

"Debenture" includes Debenture Stock.

"The Register" means the Register of the Companies of the state in which the office of the Company is, for the time being situated.

"Auditors" means the auditors of the Company for the time being and from time to time appointed in accordance with the Companies Act, 1956.



"Member" means the member of the Company as defined in Section 41 of the Companies Act, 1956 or any amendment thereof.

"Meeting" or "General Meeting" means a meeting of the Members.

"Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of Section 166 of the Act.

"Extra Ordinary General Meeting" means an Extra Ordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

"Secretary" includes a Temporary or Assistant Secretary and any person or persons appointed by the Board to perform any of the duties of Secretary.

2. The regulations contained in Table "A" in the first Schedule to the Companies Act, 1956 shall not apply to the Company, except in so far as they are embodied in the following Articles which shall be the regulations for the management of the Company. *Table 'A' not to apply*
3. Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on the security of shares of the Company and the Company shall not give directly or indirectly, any financial assistance whether by way of loan guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with any purchase of, or subscription for any shares in the Company or in its holding Company. *Company not to Purchase its own shares*
4. Copies of Memorandum and Articles of Association of the Company shall be furnished to every shareholder of the Company at his request on payment not exceeding Rs.2/- (Rs. Two only). *Share Capital*
5. (a) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association of the Company.

The Company has the power from time to time to increase or reduce its share capital. Any of the said shares and any new shares hereafter to be created may from time to time be divided into shares of several classes in such manner as may be provided hereinafter and the company may allow and so that the shares of each class may have or confer such preferred or other special rights and privileges may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise







as shall have been assigned thereto by or under provisions of the Articles of Association but so that the special or rights privileges belonging to the holders of any shares issued with preferred or other rights shall not be varied or abrogated or affected except with such sanction as is provided for hereinafter.

- (b) The said Preference Shares will confer upon the holder thereof the right to a fixed cumulative preferential dividend at such rate as the Directors may decide at the time of issued on the Capital for the time being paid up there on and the right in a winding up to payment of Capital and arrears of dividend in priority to the Equity Shares, but shall not confer any further right to participate in the profits or assets.
- Redeemable preference shares* 6. Subject to the provisions of Section 80 of the Companies Act, the Company may issued Preference Shares which are, or at the option of the Company are liable to be redeemed on such terms and in such manner, as the Board may determine.
- Allotment of shares* 7. Subject to the provisions of these Articles and to the provisions of Section 81 of the Companies 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 the Directors think fit, and with full power to give to any person the call of any shares either at par or at premium, during such time, and for such consideration as the Directors think fit, provided that option or right to call on shares shall not be given to any person except with the sanction of the Company in General Meeting and that where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, then, subject to the provisions of section 81 (1A) of the Act, the Board shall issue shares in the manner set out in Section 81(1) of the Act.
- Director may allot shares for consideration other than cash* 8. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business any shares which may be so allotted may be issued as fully or partly paid-up shares.
- Shares to be Numbered* 9. The shares in the Capital shall be numbered progressively according to their several denomination.



10. As regards all allotments made from time to time the Company shall duly comply with Section 75 of the Act. *Return of allotment*
11. If the Company shall offer any of its shares to the public for subscription. *Restriction on allotment*
- (1) no allotment thereof shall be made, unless the amount stated in the prospectus as the minimum subscription has been subscribed, and the sum payable on application thereof has been paid to and received by the Company,
- (2) the amount payable on application on each share shall not be less than 5 percent of the nominal amount of the share ; and
- (3) the Company shall comply with the provision of sub-section (4) of Section 69 of the Act.
12. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe whether absolutely or conditionally for any shares, debentures or debenture stock of the Company or procuring or agreeing to procure subscription whether absolute or conditional for any shares, debentures or debenture stock of the Company, but so that if the commission in respect of shares shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed 5 percent of the price at which the shares are issued or 2.50 percent of the nominal value of the debentures of debenture stock in each case subscribed or to be subscribed. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful. *Commission and brokerage*
13. With the previous authority of the Company in general meeting and the sanction of the Company Law Board Bench and upon otherwise complying with Section 79 of the Act, the Board may issue shares at discount of a class already issued. *Shares at a discount*
14. If, by the conditions of issue of any shares, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company, by the person, who for the time being shall be the registered holder of the share or by his executor or administrator. *Installments on Shares be duly paid*



*Liability of  
joint-holders  
of shares*

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

*Trust not  
recognised*

16. Subjects to Section 187C of the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by a court of competent jurisdiction, or as by statute required, be bound to recognise any equitable or other claim to or interest in such share in the part of any other person.

*Limit of joint  
Holders*

17. The Directors may refuse to register more than four persons as the Joint holders of a share. But this shall not apply to the personal representatives or trustees of the will of deceased member.

### INCREASE AND REDUCTION OF CAPITAL

*Power  
to increase  
capital*

18. The Company in general meeting may, from time to time, by ordinary resolution increase the share capital by the creation of new shares by such sum, be divided into shares of such amount, as may be deemed expedient.

*On what  
conditions  
new shares*

19. Subject to any special rights or privileges for the time being attached any shares in the Capital of the company then issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions thereto as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given, the Board 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.

*Provisions  
relating  
to the issue*

- 19A. Before the issue of new shares, the Company in general meeting, may make provisions as to the allotment and issue of the new shares and in particular, may determine to whom the shares be offered in the first instance and whether at par or premium or subject to provisions of Section 79 of the Act at a discount. In default of any such provision or so far as the same shall not extend, they new shares may be dealt with in conformity with provisions of these Articles.

*How for new  
shares to rank  
existing shares*

20. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of the Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and installments, transfer and transmission, forfeiture, lien, surrender and otherwise.



21. If, owing to any inequality in the number of new shares to be issued, and the number of shares, any difficulty arising in the allotment of such new shares, or any of them amongst the members, such difficulty shall, in the absence of any directions in the resolution creating the shares for by the company in General Meeting be determined by the Board. *Inequality number of new shares*
22. The Company may, from time to time, by special resolution, reduce in any manner and with, and subject to, any incident Capital authorised and consent required by law its shares capital. *Reduction of Capital*

### ALTERATION OF SHARE CAPITAL

23. The Company, by ordinary resolution may from time to time : *Power to sub-divide and consolidate share*
- (a) Consolidate and divide all or any of its share capital into share of larger amount than its existing shares,
  - (b) Sub-divide its shares or any of them into shares of smaller amount than as fixed by the Memorandum, so however, that in the sub division the proportion between the amount paid and the amount if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
  - (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 and diminish the amount of its share capital by the amount of the shares so cancelled.
24. Where any share capital is sub-divided, the company in general Meeting subject to the provisions of Sections, 85, 87, 88 and 106 of the Act, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preferential or special rights as regards dividend, payment of Capital, voting or otherwise. *Right in respect of shares on subdivision*



*Surrender of  
shares*

25. Subject to the provisions of Section 100 to 105 (inclusive) of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

## VARIATION OF SHARE HOLDERS RIGHTS

*Power to vary  
rights*

26. If at any time the share capital is divided classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of Section 106 and 107 of the Act whether or not the Company being wound up, be modified, affected, abrogated, varied or dealt with by the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at the separate meeting of the holders of issued shares of that class. To every such separate meeting provisions of these regulations relating to general meeting shall mutatis mutandis apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued share of the class in question. This Article is not by implication to curtail the power of modification which the Company would have if this Article was omitted. The Company shall comply with the provisions of section 192 of the Act as to forwarding a copy of such agreement or resolution to the Register.

## SHARE CERTIFICATION

*Issue of  
certificate*

27. The certificate of title of shares shall be issued within three months after allotment (or within such other period as the conditions of the issue shall prevail) or within one month from the registration of transfer under the seal of the company signed by two Directors and the Secretary or such other person appointed by the Directors, subject to such rules and regulations as may be prescribed by law from time to time.

*Members right  
to certificates*

28. (1) Every person whose name is entered as member in the register shall be entitled to receive within three months after allotment one certificate for all the shares registered in his name or if the Directors so approve to several certificates each for one or more of such shares.

*Members right  
to certificates*

- (2) Every certificates shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.



- (3) In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate to the first person named in the Register shall be sufficient delivery to all such holders.

29. The Certificate of shares registered in the names of two or more persons shall be delivered to the person first named on the Register.

*To whom of  
Joint holders  
certificates  
to be issued*

30. (i) The Company shall not charge any fee :

- (a) for sub-division and consolidation of shares and debenture certificates and for sub-division of Letters of Allotment and split, Consolidation, Renewal and Pucca Transfer Receipts into denominations corresponding to the market units of trading as per rules of Stock Exchange concerned ;

*Issue of new  
Certificate in  
place of one  
defaced, lost  
or destroyed &  
sub-division of  
Certificates &  
letter or allotment  
etc.*

- (b) for sub-division of renounceable Letters of Right :

- (c) for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised ;

- (d) for registration of any Power of Attorney, Probate, Letters of Administration or similar other documents ;

- (ii) The Company will not charge any fees exceeding those which may be agreed upon with the concerned Stock Exchange for issue of new certificates in replacement of those that are torn, defaced lost or destroyed;

for sub-division and consolidation of shares and debenture certificates and for sub-division of Letters of Allotment and Split Consolidation, Renewal and pucca Transfer Receipt into denominations other than those fixed for the market units of trading.

## CALLS

31. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, made such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member

*Calls*



shall pay the amount of every call so made on him to the person and at the times and places appointed by the Board, provided that option or right to make call on shares not be given to any person except with the sanction of the Company in General Meeting. A call may be made payable by instalment and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.

*Restriction on  
power to make  
calls and notice*

32. No call exceeding one half of the nominal amount of a share, be made payable at less than one month from the payment of the last preceding call. Not less than fourteen days, notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call shall be paid, provided that, before the time for payment of such call, the Directors may, be notice in writing to the members, revoke the same or extend the time for payment thereof.

*When amount  
payable*

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

*When interest  
on call or  
instalment  
payable*

34. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made, or the instalment shall be due, shall pay interest, for the same at the rate of 12 percent per annum from the day appointed for the payment thereof to time of the actual payment or at such other rate as the Directors may determine. The Directors may in their absolute discretion waive the payment of interest, wholly, or in part in the case of any person liable to pay such call or instalment.

*Evidence in  
action for call*

35. On the trial or hearing or any action or suit for recovery of any money due for any call it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders of the shares in respect of which such debt accrued, that the resolution making the Call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such Call, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.



36. The Board may, if it thinks fit, receive from any member willing to advance the same, and either the money or money's worth, all or any part of money due upon the share held by him beyond the sums actually called for and upon the money so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board from time to time, unless the Company in General Meeting shall otherwise direct. The Directors may, at any time repay the amount so advanced upon giving to such member one month's notice in writing. The member shall not, however, be entitled to any voting rights or dividend in respect of the moneys so paid by him until the same would, but for such payment become presently payable. *Payment of calls in advance*
37. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any share registered in his name on which any calls or other sums presently payable by him have not been paid or a right to which the Company has, and has exercised any right of lien. *Voting rights when calls in arrears*
38. A call may be revoked or postponed at the discretion of Board. *Revocation of calls*
39. The Directors may, from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of residence at a distance or some other cause, may be deemed fairly entitled to such extension, but no member shall, as a matter of right, be entitled to such extension (save as a matter of grace and favour). *Directors may extend time for Payment of a calls*
40. Every member, his executors or administrators shall pay to the Company the proportion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amount at such time or times and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof. *Every member to pay the proportion of the capital represented by the share*

### FORFEITURE OF SHARES

41. If a member to pay any sum payable in respect of any call or instalment on or before the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of the said call or instalment remains unpaid, serve a notice on such member requiring payment of so much of the call or instalment as is unpaid together with any interest which may have *Notice for payment of call or instalment*



accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

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|---|-----|--|
| <i>Mode of Notice</i>                                     | 42. | The notice aforesaid shall name a further day, not being earlier than the expiry of fourteen days from the date of service of notice, on or before which the payment required by the notice, is to be made and a place at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment on or before the date so named, the shares in respect of which such call or instalment was payable shall be liable to be forfeited.  |
| <i>Forfeiture of shares</i>                               | 43. | If the requirement of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may at any time thereafter, before the payment of calls or instalments, interest and expenses due in respect 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.  |
| <i>Notice of forfeiture</i>                               | 44. | When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeited and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but not forfeiture shall in any manner be invalidated by any occasion or failure to give such notice or to make such entry as aforesaid.   |
| <i>Forfeited shares to become property of the Company</i> | 45. | Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed on such terms and in such manner as the Board thinks fit.  |
| <i>Board may annual forfeiture</i>                        | 46. | The Board may at any time before any share forfeited shall have been sold, reallocated or otherwise disposed of, annual the so forfeiture thereof upon such conditions as it thinks fit.   |
| <i>Arrears to be paid notwithstanding forfeiture</i>      | 47. | <p>(i) A person whose shares have been forfeited shall ceases to be a member in respect of forfeited shares but shall notwithstanding forfeiture remain liable to pay and shall forthwith pay to the Company all calls, instalments, interests and expenses owing upon or in respect of such shares at the time of forfeiture together with interest thereon from the time of forfeiture until payment thereof without any deduction or allowance for the value of the shares at the time of forfeiture.</p> <p>(ii) The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demand against the Company in respect of the</p> |



shares and all other rights incidental to the share except any such of those rights as by these Articles are expressly saved.

48. Certificate in writing from a Director, or the Manager or the Secretary of the Company, and that the share in the Company has been duly forfeited on a date stated in the Certificates, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. *Evidence of forfeiture*
49. The provisions of these regulation as to forefiture shall apply in the case of non-payment of any sum which, by the terms of issue of share become payable at a fixed time whether on account of the nominal value of the share or by way of premium, as if the same has been payable by virtue of a call duly made and notified. *Forfeiture provi- sion to apply to non-payment in terms in issue*
50. When any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered. *Power to issue new-certificate*
51. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his share, either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of nay such money shall preclude the Directors from thereafter proceeding to enforce a forfeiture of such share as provided in these regulations for non-payment of the whole or any balance due in respect of shares. *Partial payment or any indulgence show not to preclude forfeiture*

#### COMPANY'S LIEN ON SHARES

52. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called, or payable at a fixed time in respect of that share, and on all shares (not being fully paid shares) standing registered in the name of each member whether solely or jointly with other for all moneys payable by him or his estate to the Company, provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The Company's lien, if any, shall extend to all dividend declared from time to time in respect to such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. *Company's lien of shares*



- Endorsement of lien by sales* 53. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as thinks fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member his executor or administrator, committee, curator, bonis or other legal representative as the case may be, and default shall have been made by him or them in payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.
- Application of proceeds of sales* 54. The net proceeds of any such sale shall be received by Company and after payment of the cost of such sale, be applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall subject to like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the share at the date of the sale.
- Validity of sales in exercise of lien and after forfeiture* 55. Upon any sale after forfeiture or surrender or for enforcing a lien in purported exercise of the powers hereinbefore conferred, the Board may appoint some person to execute an instrument of transfer for the shares sold and cause the purchaser's name to be entered in the Register in respect of share sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money, and after his name has been entered into the Register in respect of such share the validity of the sale shall not be impeached by any person on any ground whatsoever, and the remedy of any person aggrieved by such sale shall be in damages only against the Company exclusively.
- Board may issue new certificates* 56. Where any share has been sold by the Board pursuant to these Articles and the certificate in respect thereof has not been delivered to the Company by the former holder of such share the Board may issue a new certificate for such share, distinguishing it in such manner as it may think fit from the certificate so delivered wherein any such case the certificate in respect of the share forfeited and/or sold is not delivered and new certificate for such share has been issued, the original certificate shall be treated as cancelled and no claim or title passed on such certificate shall be binding on the Company.

## TRANSFER AND TRANSMISSION

- Execution of transfer etc.* 57. Transfer of shares shall not be registered unless a proper instrument in writing duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the company alongwith with the



certificate relating to the shares or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof.

Provided that, whereon an application in writing made to the Company by the transferee, and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnify as the Board may think fit.

58. Application for the registration of the transfer of a share may be made either by the transferee or the transferor, no registration shall, in the case of the partly paid share, be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act and subject to the provisions of these Articles, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter the Register the name of transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. *Application registration of transfer*
59. The directors may decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up, may refuse to register a transfer to a transfer of whom they do not approve, provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except as stated above. If the Directors decline to register transfer they shall give notice of such refusal to the transferee and the transferor as required by Section 111 of the Companies Act.
60. Every instrument of transfer of shares shall be in the form prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provisions of Section 108 of the Act, from time to time.
61. No fee shall be charged for registration of transfer and transmission.



- Instrument of transfer to be left at office* 62. Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate of the shares to be transferred or if there is no certificate, the Letter of Allotment thereto and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. The Board may waive the production or his right to transfer the share. The Board may waive the production of any certificate upon evidence to them of its having lost or destruction. Every instrument of transfer which shall be registered shall be retained by the Company, by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.
- Supension of transfers* 63. The Company may, after giving not less than seven day's previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, close the register of member of the register of debenture holders for any period or periods not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any time.
- Notice of refusal to registration of transfer* 64. If the Board refuse, whether in pursuance of the Article 59 or otherwise, to register the transfer of, or the transmission by operation of law of the right to any share, the Company shall, within two months from the date on which the instrument of transfer or the intimation of such transmission as the case may be was lodged with the Company, send to the transferee and the transferor or to the person giving intimation of such transmission as the case may be, notice of such refusal.
- Persons entitled to shares by transmission* 65. The executors or administrators of a deceased member (not being one of several joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint-holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator, Board may require him to obtain a Great of Probate or Letters of Administration or other legal representation as the case may be from some competent Court, Probate or Letter of Administration of such other legal representation upon such terms as to indemnity or otherwise as the Board in its absolute discretion may consider necessary.



66. Any committee or guardian of a lunatic or infant member or any person becoming entitled to transfer share in consequence of the death bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of the title as the Board thinks sufficient may with consent of the Board (which it shall not be under any obligation to give) be registered as a member in respect of such shares or may subject to the regulations as to transfer hereinbefore contained, transfer such shares. This article is hereinafter referred to as 'The Transmission Article'.
- Transfer of shares of insane, minor, deceased or bankrupt member*
67. Any Director may retain the dividend payable upon shares to which any person becomes entitled under Article 66 until such person or his transferee shall become a member in respect of shares.
- Rights of persons entitled to shares by reason of death etc.*
68. (a) If the person becoming entitled to a share under Articles 66 shall elect to be registered as a member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of shares.
- (c) All the limitations, restrictions, and provisions of these Articles relating to the right to transfer and the registration of transfer as aforesaid as if the death, insanity, bankruptcy or insolvency of the member had not accrued and the notice of transfer were a transfer signed by that member.
69. A person so becoming entitled under the transmission Articles to a share by reason of the death, lunacy, bankruptcy or insolvency of a member shall, subject to the provision of Article 106 or Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he was the member registered in respect of the share. Provided that the Board may at any time issue notice requiring any such person to elect either to be registered himself or to transfer the shares and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the share, until the requirement of the notice have been complied with.
70. The Company shall incur no liability or responsibility whatever in consequence of its registering or to giving effect to any transfer of shares made or purporting
- Company not liable for disregard*



*of a notice  
purporting  
prohibit  
registration of  
transfer*

to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of person having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice purporting to prohibit registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to a notice which may be given to it of any equitable right or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some books of the Company but the Company shall never the less be at liberty to regard or attend to any such notice and give effect thereto if the Director shall, so think, fit.

*No transfer to an  
infant or to a  
person of  
unsound mind*

71. No transfer shall be made to an infant or person of unsound mind.

#### SHARE WARRANTS TO BEARER

*Issue of the  
share warrants*

72. The Company may issue share warrants subject to and in accordance with the provisions of Section 114 and 115 of the Act, and accordingly the Board may in its discretion. With respect to any share which is fully paid-up application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time require as to the identification of the person signing the application, and on receiving the certificates (if any) of the share, and the amount or stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
73. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of member at any meeting held after the expiry of the two clear days from the time of deposits as if his name were inserted in the Register as the holder of the share included in the deposited warrant.
- (2) Not more than one person shall be recognised as depositor of the share warrant.
- (3) The Company shall, on seven days' written notice, return the deposited share warrant to the depositor.



74. (1) Subject as herein otherwise provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company of attend, or vote or exercise any or the privilege of member at meeting of the Company, or be entitled to received any notices from the Company.
- (2) The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if they were named in the Register of members as the holder of the shares included in the warrant, and he shall be a member of the Company.
75. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way or renewal in case of defacement, loss or destruction.

#### CONVERSION OF SHARE INTO STOCK

76. The Company may, by ordinary resolution :

*Conversion of  
paid-up shares  
into stock*

- (a) Convert any paid-up shares into stock; and
- (b) re-convert any stock into paid-up shares of any denomination.

77. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose before the conversion might have been transferred, or as near thereto as circumstances admit.

*Transfer of  
stocks*

Provided that the Board may, from time to time fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

*Power and  
rights of stocks  
holders*

78. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and others 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 and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

79. 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

*Regulations to  
apply to stock*



words "Share" and "Share-holder" in those regulations shall include "Stock" and "Stock-holder" respectively.

## BORROWING POWERS

- Power to borrow* 80. The Directors may from time to time at their discretion raise or borrow any sum or sums of money for the purpose of the Company subject to the provisions of Section 58-A, 292, 293 and 370 of the Act and may secure payment of repayment of same in such manner and upon such terms and conditions in all respects as may be prescribed by the Board in particular by the creation of any mortgage, hypothecation, pledge or charge in and over the Company's stocks, book debts and other movable properties.
- Conditions on which moneys may be borrowed* 81. The Directors may raise or 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 the issue of bonds, perpetual or redeemable debentures or debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company, both present and future, including its uncalled capital for the time being or by giving, accepting or endorsing on behalf of the property of the Company any promissory notes, bills of exchange or other negotiable instruments and no debenture shall carry any voting right whether generally or in respect of a particular class of shares of business.
- Delegation of powers* 82. If any uncalled capital of the Company be included in or charged by any mortgage or other security, the Board may, by instrument under the Company's seal, delegate the power under Section 292 of the Act to the person in whose favour such mortgage or security is executed or any other person in trust for him.
- Issue at discount etc. or with special privileges* 83. Any debentures, debenture-stock, bonds or other securities may be issued at a discount. Premium or otherwise and with any special, privileges as to redemption, surrender, drawings, allotment of shares, attendance at General Meetings of Company, appointment of Directors and otherwise, the power to issue debenture stock or other securities on condition that they shall be convertible into shares of any denomination shall only be exercised by the Company in General Meeting.
- Instrument of transfer for Debentures* 84. Save as provided in Section 108 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debenture.



85. If the Board refuse to register the transfer of any debentures of the Company it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal. *Notice of refusal to register transfer*
86. If any Director or any other person shall become personally liable for payment of any sum preliminary due from the Company, the Board may execute or cause to be executed any mortgage, charge of security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable, as aforesaid, from any loss in respect of such liability. *Execution of charges or Mortgages by Board*
87. The Director may receive deposits on such terms and conditions and bearing interest at such rates as they may decide and fix and which may be made payable monthly, quarterly, half-yearly or yearly, subject to the notification issued from time to time by the Department of Non-Banking Companies, Reserve Bank of India, if any. *Powers to receive deposits*
88. The Company may subject to the provisions of Section 208 of the Act pay interest on so much of the share capital as is for the time being paid-up as was issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant, which cannot be made profitable for a lengthy period. *Payment of interest on Capital*

#### PROCEEDINGS AT GENERAL MEETING

89. In addition to any other meetings, a general meeting of the Company shall be held within such interval as specified in Section 166(1) of the Act and, subject to the provision of Section 166(2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called as Extra-Ordinary General Meeting. *When Annual General meeting to be held*
90. The Board may, whenever it thinks fit, call an Extra-Ordinary General Meeting. If at any time there are not within India, Directors capable of acting who are sufficient in number to form a quorum, the directors present in India may call and Extra-Ordinary General Meeting in the same manner and as nearly as possible as that in which such a meeting may be called by the Board. *Calling of extra-ordinary general meeting*
91. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive *As to commission to give notice*



such notice shall not invalidate any resolution passed at any such meeting.

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| <i>Circulation of members resolutions</i>              | 92. | The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolution and circulating statement on the requisition of members.  |
| <i>Quorum</i>  | 93. | No business shall be transacted at a General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five members present in person shall be the quorum for the meeting of the Company.   |
| <i>Passing of Resolutions</i>                          | 94. | Any act or resolution which, under these articles or the Act, is permitted or required to be done or passed by the Company in General Meeting, shall be sufficiently so done or passed if affected by an ordinary resolution as defined in Section 189(1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a specific majority or by special resolution as defined in Section 189(2) of the Act.  |
| <i>Chairman of the general meetings</i>                | 95. | The Chairman of the Board shall be entitled to take the chair at every General Meeting. If there be no such chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the members present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the members present shall choose one of their members entitled to vote to be the chairman of the meeting. |
| <i>Dissolution and adjournment of general meetings</i> | 96. | 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 shall be dissolved, but in any other case, it shall stand adjourned to the same day in the next week at the same time and place, and, if at such adjourned meeting, a quorum be not present, those members who are present not being less than two shall be a quorum and may transact the business for which the meeting was called.   |
| <i>Votes by show of hands</i>                          | 97. | Every question submitted to meeting shall be decided, in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member.  |



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

98. The chairman of General Meeting may adjourn the same from to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. *Adjournments of the general meetings*
99. At any General Meeting unless a poll is, (before or on the declaration of the result of the voting on any voting on any resolution and on the show of hands) demanded by the Chairman or by at least five members present in person or by proxy or by any member or members present in person or by proxy and having not less than one-tenth of total voting powers in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid-up which is not less than one-tenth of the total sum paid on all the shares conferring that right, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution. *What is to be evidence of the passing of a resolution where poll not demanded*
100. (a) If a poll is demanded as aforesaid it shall be taken forthwith on a question of adjournments or election of a Chairman of the meeting. *Poll*
- (b) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
- (c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, at least one of whom shall be a member (not being an officer employee of the Company) present at the meeting, provided such a member is available, and willing to be appointed, to scrutinise the votes given on the poll and to report thereon to him.
- (d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll, a member entitled



to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or case in the same way all the votes he uses.

- (e) The demand for a poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.

## VOTES OF MEMBERS

*Votes of  
members*

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

- (a) On a show of hands, every member present in person, shall have one vote ; and
- (b) On a poll, the voting rights of members shall be as laid down in Section 87 of the Act.

*Voting rights of  
preferential  
shareholders*

102. Except as conferred by Section 87 of the Act the holders of Preference shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with provisions of sub-section 2 of Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision on Section 89 and Sub-section (2) of Section 92 of the Act be in the same proportion as the Capital paid-up in respect of the preference shares bears to the total paid-up equity capital of the Company.

*Procedure  
where a  
Company is a  
member of the  
company*

103. Where a Company or body-corporate (herein-after called "member Company") is a member of the Company, a person duly appointed by resolution in accordance with Section 187 of the Act to represent such member Company at a meeting of the Company, shall not by reason of such appointment, be deemed to be a proxy, and the production at the meeting of a copy of such resolution duly signed by one Director of such member Company and certified by him as 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. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the member Company or body-corporate which he represents, as that member Company or body-corporate could exercise if it were an individual member.

*Vote by joint-  
holders*

104. Where there are joint-registered holders of any shares, 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 either personally or by proxy then one of the said persons so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

105. Any person entitled under the Transmission Article 66 to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he purposes to vote, he shall satisfy the Directors of the right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non-committee, or other legal curator and such last mentioned persons may give their votes by proxy on a poll. If any member is a minor, the vote in respect of his share may be given by his guardian. If more than one person claim to exercise the right of vote under this clause, the Chairman of the meeting may elect in his absolute discretion any one person and will accept his vote. *Vote in respect of deceased insolvent & minor members*
106. No member not present in person shall be entitled to vote on a show of hands, unless such member is a Company or corporation present by proxy or by representative duly authorised under Section 187 of the Act, in which case such proxy or representative may vote on the show of hands as if he were a member of the Company.] *Voting rights on show of hands*
107. On a poll votes may be given either personally or by proxy or in the case of a Company, by a representative duly authorised as aforesaid. *Proxies permitted*
108. Any member of the Company entitled to attend and vote at meeting of the Company shall be entitled to appoint another person (whether a member or not, as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. *Appointment of proxy*
109. The instrument of appointing a proxy shall be in writing, under the hand of the appointor or his attorney duly authorised in writing or, if such appointor is a body corporate under its common seal or the hand of its attorney duly authorised. A proxy who is appointed for a specified meeting only shall be *Instrument appointing proxy*



called a special proxy. Any other proxy, shall be called a general proxy.

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| <i>Proxies to be deposited at the office</i>              | 110. | The instrument appointing a proxy and the power of Attorney or other authority (if any) under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument purposes to vote, and in default, the instrument of proxy shall not be treated as valid.   |
| <i>When vote by proxy valid through authority revoked</i> | 111. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of transfer of the shares in respect of which the vote is given, provided no intimation in writing of the death, insanity revocation or transfer shall have been received by the Company 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. |
| <i>Form of proxy</i>                                      | 112. | Every instrument appointed a special proxy shall as nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act.  |
| <i>Restriction on Voting</i>                              | 113. | No member shall be entitled to exercise any voting rights, either personally or by proxy, at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised any right or lien.   |
| <i>Admission or rejection of votes</i>                    | 114. | <p>(a) Any objection as to the admission or rejection of a vote, on a show of hands or on a poll made in due time shall be referred to the Chairman of the meeting who shall forthwith determine the same and such decision shall be final and conclusive.</p> <p>(b) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.</p>  |



## DIRECTORS

115. The number of Directors of the Company shall not be less than three and not more than twelve. *Number of Directors*
116. Every Director shall be paid out of funds of the Company by way of remuneration for his services not exceeding Rs.250/- (Two hundred fifty) for each meeting of Board of Directors or committee thereof attended by him as the Board may determine from time to time. *Sitting Fee*
117. The following persons shall become and be the first directors of the Company: *First Directors*
1. SH. HARBANS LAL BANSAL
  2. SH. MOHAN LAL
  3. SH. JASWANT RAI
  4. SH. RAJ KUMAR
  5. SH. SUDERSHAN KUMAR
  6. SH. NARESH KUMAR BANSAL
118. Notwithstanding anything to the contrary contained in these Articles so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), the Industrial Finance Corporation of India (IFCI), the Industrial Credit and Investment Corporation of India Limited (ICICI) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body, out of any loans granted by them to the Company or so long as IDBI, IFCI, and ICICI or any other Financing Company or Body (each of which IDBI, IFCI, ICICI or other Finance Corporation or Credit Corporation or any other Financing Company Body is hereinafter in this Article referred to as "the Corporation") continue to hold shares in the Company as a result of underwriting or direct subscription, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s) on the Board of the Company and to remove from such office any person or persons so appointed any to appoint any person or persons in his or their place/s. *Appointment of nominee directors by financial institutions*

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee



Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligation as any other Director of the Company

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to Corporation or so long as the Corporation holds shares in the Company as a result of under-writing or direct subscription and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately after the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold shares in the Company.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled to but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys are remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Provided also that in the event of the Nominee Director/s being appointed as whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation.

*Increase or  
reduction  
in number  
of Directors*

119. The Company in the General Meeting may subject to provision of the Article 115 and Section 259 of the Act by ordinary resolution increase or reduce the number of its Directors.



120. The Directors shall have powers at any time and from time to time to appoint any other person as a Director either to fill up a casual vacancy or as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any Directors so appointed shall hold office only until the conclusion of the next following Annual General Meeting of the Company but shall be eligible for re-election at such meeting. *Power to appoint additional directors*
121. Subject to the provisions of Section 313 of the Act or any statutory modifications thereof, the Board shall have power to appoint any person to act as alternate director for a director during the latter's absence for a period of not less than three months from the state in which meeting of the directors are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly ; but he shall not require any qualification share and shall ipso facto vacate office if and when the absentee Director returns to the state in which meeting of the Board are ordinarily held or the absentee director vacates office as a director. *Alternate Directors*
122. A Director need not hold any share in the Company in his name as his qualification, but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company. *Directors need not hold any qualification shares*
123. Unless otherwise determined by the Company in General Meeting, each Director, other than the whole-time paid Directors, shall be paid Rs.250 (Rs. Two hundred fifty only) or (as may be decided by Board from time to time) for each meeting of the Board of Directors or a Committee thereof attended by him. The Directors may also be paid all the expenses as decided by the Board from time to time in attending the meeting of the Board or a Committee of Board. *Remuneration of Directors*
124. In addition to the remuneration payable to the Directors under Article 123 hereof, the Directors may be paid all reasonable travelling, hotel and other expenses in attending and returning from the meetings of the Board of Directors or any Committee thereof or in connection with the business of the Company. *Expenses of Directors*
125. Subject to Section 198, 309, 310 and 314 of the Act, if any Director or Directors being willing shall be called upon to perform extra service or to make any special exertion in going or residing outside the office for any of the purpose *Extra remuneration of Directors*



of the Company or in giving special attention to the business of the Company, the Board may remunerate such Director either by fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or substitution for any remuneration to which he may be ordinarily entitled.

Directors may  
act  
notwithstanding  
vacancy

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

127. (1) The office of the Director shall *ipso facto* become vacant if :

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated as an insolvent ; or
- (c) his is adjudged an insolvent ; or
- (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (e) he fails to pay any call in respect of shares in the Company held by him whether alone or jointly with others within six months, from the last date fixed for the payment of the call unless the Central Government has by notification in the official Gazette, removed the disqualification incurred by such failure ; or
- (f) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is the longer without obtaining leave of absence from the Board ; or
- (g) he (whether by himself or by any person for his benefit or on his account) or any firm of which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act ; or
- (h) he acts in contravention of Section 299 of the Act ; or



- (i) he becomes disqualified by an order of the Court under section 203 of the Act ; or
- (j) he is removed in pursuance of Section 284 of the Act ; or
- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceases to hold such office or other employment in the Company ; or
- (m) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of the provisions of sub-section (1) of Section 314 of the Act and by operation of that Section he is deemed to vacate office.
- (2) Notwithstanding anything in clauses (c), (d) and (i) the disqualification referred in those clauses shall not take effect :
  - (a) for thirty days from the date of the adjudication or sentence:
  - (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, until the expiry of seven days from the date on which such appeal or petition is disposed of ; or
  - (c) where within the seven day aforesaid, any further appeal or petition is preferred in respect if the adjudication, sentence conviction and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.

128. A director of the Company may be or become a director of any Company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise, and no such directors shall be accountable for any benefits received as director or member of such Company.

*Directors may be directors of companies promoted by the Company*

129. Subject to the provisions of Section 297, 299 to 301 of the Act, a director shall not be disqualified from contracting within the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such director or a firm in which such director or relative is a partner or which any partner in such firm or with a private Company of which

*Conditions under which directors may contract with Company*



such Director is a member of Director be void, nor shall any Director so contracting, or being such member so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established.

#### APPOINTMENT REMOVAL & ROTATION OF DIRECTORS

*Vacancies to be  
filled in Annual  
General  
Meeting*

130. (a) At Annual General Meeting at which a Director retires by rotation the Company may fill up the vacancy by appointing the retiring Director or some other person thereto. If the place of the retiring Director is not so filled and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill up the vacancy, the retiring Director shall deemed to have been re-appointed at the adjourned meeting, unless :
- (i) at that meeting or at the previous meeting a resolution for there re-appointment of such Director has been put and lost ; or
  - (ii) the retiring Director has, by a notice in writing addressed to the Company or the Board, expressed his unwillingness to be so re-appointed : or
  - (iii) he is not qualified or is disqualified for appointment ; or
  - (iv) a resolution, whether special or ordinary is required for his appointment or re-appointment in virtue of any provisions of the Act; or
  - (v) the provisions to sub-section (2) of section 263 of the Act is applicable to the case.

*Power to  
remove  
Directors*

131. The Company may, subject to the provision of Section 284 of the Act by ordinary resolution of which special notice according to Section 190 of the Act has



been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his stead. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Articles is not so filled by the meeting at which he is removed the Board may at any time thereafter fill such vacancy under the provisions of Article 132.

132. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire in the normal course, the resulting vacancy may be filled by the Board at a meeting of the Board, but any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had been so vacated, provided that the Board shall not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Article 132. *Board may fill casual Vacancies*
133. (a) At every Annual General Meeting one-third of such Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. The retiring Director shall retain his office until dissolution of the meeting at which his successor is elected. An ex-officio Director shall not be liable to retire by rotation within the meaning of this Article. *Rotation & Retirement of Directors*
- (b) The Director to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day and those to retire shall unless they otherwise agree amongst themselves, be determined by lot.
134. A retiring Director shall be eligible for re-election.
135. No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting, unless he or some other member intending to propose him has, no less than fourteen days and not more than two months before the meeting, left at the office a notice in writing duly signed, signifying his candidature for the office of Director or the intention of such *When candidate for Office of Director must give notice file consent in writing*



member to propose him as a candidate for that office, as the case may be.

### PROCEEDINGS OF DIRECTOR'S MEETING

*Meeting of  
Directors*

136. (a) The Directors may meet together for the despatch of business, and may adjourn and otherwise regulate their meeting and proceedings as they may think fit.
- (b) The Chairman, Director or any officer authorised by the Directors may call a meeting of the Board of Directors.
- (c) Subject to the provisions of Section 316, 372(5) and 386 of the Act, questions, arising at any meeting shall be decided by a majority of votes and in case of any equality of votes the chairman shall have a second or casting vote.

*Notices*

137. (a) Notice of every meeting of the Board or a Committee thereof shall ordinarily be given in writing to every Director for the time being at his usual address.
- (b) It shall not be necessary to give notice of a meeting of Directors to any Director for the time being away from India.

*Quorum*

138. (a) Subject to Section 287 of the Act, a quorum for the meeting of the Board of Directors shall be two directors or one-third of its total strength (any fraction contained in that one-third being rounded off as one), whichever is higher, provided that where at any time the number of interested Director exceeds or is equal to two-thirds of the total strength, the number of remaining Directors that is to say the number of Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time.
- (b) If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman shall appoint.

*Director may  
summon  
meetings*

139. The Chairman may and on the requisition of a Director shall at any time summon a meeting of the Board.



140. The Directors may choose one of their members to be Chairman and the Director so chosen shall continue as Chairman until otherwise determined by the Board. If at any meeting of the Board, the Chairman be not present within five minutes after the time appointed for holding the same the Directors present shall choose one of their members to be Chairman of such meeting. *Powers to appoint Chairman*
141. A meeting of Board 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 or the Act for the time being vested in or exercisable by the Board. *Powers of the Board meeting*
142. Subject to the provisions of Section 292 of the Act, the Board may from time to time delegate any of its powers to a committee consisting of such member or members of their body, managers and other officers of the Company as it may think fit and may from time to time revoke such delegation. Any committee so formed shall, in exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board. The meeting and proceedings of any such committee, consisting of two or more members shall be governed by the provisions hereinafter contained regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under this Clause. *Power to appoint committee and to delegate powers*
143. All acts done at any meeting of the Directors or of a Committee or by any person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Directors or person had been duly appointed and was qualified to be a Director or a member of a Committee. *Resolution without Board meeting valid*
144. Save for the purposes of Sections 262, 292, 297, 316, 372(5) and 386 of the Act a resolution shall be as valid and effectual as if it had been passed at a Meeting of the Directors or of the Committee thereof duly called and constituted if it is circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India has been approved by such of the Directors or members as are then in India or by a majority of such of them, as are entitled to vote on the resolution. *Resolution without Board meeting valid*



## POWERS OF THE BOARD

145. Subject to the provisions of the Act, control of the Company shall be vested in the Board, who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do ; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether, by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further, that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act, or any other statute, or in the Memorandum of Association of the Company or in these Articles, or in any regulations made by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation has not been made.

*Power to keep  
foreign register*

146. The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act with regard to keeping of a foreign Register ; and the Board may (subject to the provision of those sections) make and vary such regulation as it may think fit in respect of the keeping of any such register.

*Debentures*

147. Every debenture or other instrument issued by the Company for securing the payment of the money may be so framed that the moneys thereby secured shall be assigned free from any inequities between the Company and the person to whom the same may be issued. Any debentures, debenture stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on a condition that they shall be convertible into any shares of any denomination, and with any special privileges as to redemption, surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion or allotment of shares shall not be issued without consent of the Company in General Meeting.

*Directors may  
pay commission*

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



149. All Cheques ; promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for the moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be, by the Managing Director or by such person and in such manner as the Board shall from time to time by resolution determine. *Drawings etc. of negotiable and other instrument*
150. The Board may make such arrangements as may be thought fit for the management of the Company's affairs abroad and may for this purpose (without prejudice to the generality of their powers) appoint local officers and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority in the presence of such person as the Board shall from to time authorize in writing and such person shall sign the instrument sealed therein. The Company may also exercise the powers of keeping Foreign Register. *Management of Company's Affairs abroad*
151. Without prejudice to the General powers conferred by these presents subject however to Section 292, 293, 294, 295, 297 and 314 of the Act, it is hereby expressly declared that the Directors shall have the following powers that is:- *Specific Powers given to the Directors*
- (1) To pay the costs, charges, preliminary and incidental to the promotion, formation, establishment and registration of the Company.
  - (2) To pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued wither as fully paid-up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debenture 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.
  - (3) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think it.
  - (4) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company or in such other manner as they may think fit.
  - (5) To appoint at their discretion, remove or suspend such managers, secretaries, experts and other officers, clerks, agents servants for



permanent, temporary or special services as they may from time to time think fit and determine their powers and duties and fix their salaries or emoluments and to require security in such instances and for such amount as they think fit.

- (6) To appoint any person or persons (whether incorporated or not) to accept, and to hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (7) To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment in satisfaction of any debts, dues and of any claims or demands by or against the Company and act on behalf of the Company in all matters to bankrupts and insolvents and apply and obtain letters of administration, provided that the Board shall not except with the consent of the general meeting remit or give time for the repayment of any debt due by a Director.
- (8) To refer any claims or demands by or against the Company or to enter into any contract or agreement for reference to arbitration and to observe, enforce, perform, compound or challenge such awards and to take proceedings for the reverse of the same.
- (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.
- (10) To act as trustees in Composition of the Company's debtors.
- (11) To make, vary and repeal bye-laws for regulation of business of the Company and the duties of officers and servants.
- (12) Subject to the provisions of the Act and in particular subject to Sections 309 and 310 of the Act, to give a Director or any officer or any other person whether employed or not by the Company a Commission on the profits of any particular business or transaction or a share in general profit of the Company, and such commission or shares of profit sale be treated as part of the working expenses of the Company.

- (13) At any time and from time to time by power of Attorney under the seal of the Company, to appoint any person or persons to be the attorney of the Company in India or abroad for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as the Director may from time to time think fit and any such appointment may be made in favour of any company or the Members, Directors, Nominees or Managers of any Company or firm or otherwise in favour of fluctuating body of persons whether nominated directly or indirectly by the directors and any such power or attorney may contain such powers enabling any such delegates or attorneys as aforesaid sub-delegate all or any of the powers authorities and discretion for the time being vested in them.
- (14) With the sanction of the Board to execute in the name and on behalf of the Company, in 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 fit, and any such mortgage may contain a power of sale and any such powers, convenient and provisions as shall be agreed upon or other agreements as may be thought fit.
- (15) In conformity with Section 293(1)(c) and 373 of the Act to invest and deal with any of the moneys of the Company in such manner as they may think fit and from time to time to vary or realise such investments.
- (16) To enter into all such negotiations and contracts, 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 purpose of the Company.
- (17) To act jointly or severally in all or any of the powers conferred on them.
- (18) To comply with the requirements of the Act or any other local law which in their opinion shall in the interests of the Company be necessary or expedient to comply with.
- (19) To delegate all or any of the powers, authorities and discretions for the time being vested in them and in particular, from time to time to provide by the appointment of an attorney or attorneys for the management and transaction



of the affairs of the Company in any specified locality in such manner as they may think fit.

- (20) To provide for the welfare of employees or ex-employees of the company and the wives, widows and families of the dependants or connections of such persons by building or contributing to the building of houses dwelling or chawls or by grants of pensions, allowances, bonuses or other payment or by creating and from time to time subscribing or contributing to provident fund, and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions, recreations, hospitals and dispensaries and all other kinds of medical relief.
- (21) Subject to Section 293(1)(e) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, national, social, scientific, literary, educational, medial or other institutions the object of which shall have any moral or other claim for support or aid by the Company either by reason of locality or operation or of public and general utility or otherwise. But not intended to serve any political cause or purpose.
- (22) To open and deal with the current account, overdraft accounts and any other accounts with any bank or banks for carrying on business of the Company.
- (23) Subject to Section 293(1)(a) of the Act to sell or depose any of properties of the Company to any person in consideration of cash payment in lump sum or by installments or in return for any other service rendered to the Company
- (24) To get insured any or all the properties of the Company and any or all the employees and their dependants against any or all risks.
- (25) To appoint and nominate any person or persons to act as proxy or proxies for the purpose of attending or voting on behalf of the Company at a meeting of any Company or association.
- (26) Subject to Section 294 of the Act to appoint purchasing and selling agents for the purchase and the sale of Company's requirements and products respectively.
- (27) Subject to Section 293(1)(e) of the Act to give away in charity moneys received from any sources whatever or from any assets of the Company for any charitable purposes.

- (28) Before declaring any dividend, to set aside such portion of the profit of the Company as they may think fit, to form a fund to provide for the pensions, gratuities or compensations or create a provided fund or benefit fund in such manner as the Director may deem fit.
- (29) To realise, compound and allow time for the payment or satisfaction of any debts due to or by the Company any claims or demands by or against the Company to arbitration and observe and perform the awards.
- (30) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem or pay of any such securities.

#### LOCAL MANAGEMENT

- 152. The Directors may from time to time provide for the 'Management' and transaction of the affairs of the Company in any specified locality whether at home or abroad in such manner as they think fit, and the provisions contained in the three next following Articles shall be without prejudice to the general powers conferred by this Articles but subject to the provisions of Sections 292 to 297 of the Act. *Local Management*
- 153. The Directors from time to time, and at any time may establish any local offices for managing any of the affairs of the Company in any such specified locality and may appoint any persons to be officers of such local offices, or any managers or agents, and may fix their remuneration. And the Directors from time, to time, and at any time may subject to the provisions of Section 292 to 297 of the Act delegate to any person so appointed any of the powers and authorities and discretions for the time being vested in them and may authorise the members for the time being of any such local offices or any of them to fill up any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annual or vary any such delegation. *Local Board delegation*
- 154. The Director may at any time, and from time to time by power of attorney



under the Company's seal appoint any person or persons to be the attorney or attorneys of the Company for such purposes and subject to the provisions of Sections 292 to 297 of the Act with such powers, authorities and discretions not exceeding those vested in or exercisable by the Directors under those presents and for such period and subject to such conditions as the Directors may from time to time think fit, and any such appointment may, if the Directors think fit, be made in favour of the members of any local board established as aforesaid, or in favour of any Company or of the members, directors, nominees or managers of the Company or firm or in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such provisions for the protection or convenience of person dealing with such attorney or attorneys as the Directors think fit.

- Sub-delegation* 155. Any such delegates or attorneys aforesaid may be authorised by the Director to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

#### MANAGING/WHOLE-TIME DIRECTORS

- Appointment of Managing whole time Director* 156. The Company by ordinary resolution or the Directors may, subject to the provisions of Section 268 and 269 of the Act, from time to time appoint one or more of the Directors to be Managing Director or Managing Directors or other whole time Directors of Company for a term not exceeding five year at a time and may from time to time subject to the provisions of any contract between him or them and the Company remove or dismiss him or them from office and appoint another or other in his or their place or places.

- What provision he will subject to* 157. A Managing or whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation in fixing the number of Directors to retire, but subject to the provisions of any contract between him and the Company. He shall be subject to the provisions as the resignation and removal as the other Directors of the Company and he shall *ipso facto* and immediately cease to be a Managing Director or whole-time Director if he ceases to be Director from any cause.

158. Subject to the provision of Sections 198, 309, 310 and 311 of the Act, a Managing Director or whole-time Director shall, in addition to the usual remuneration payable to him as a Director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned

by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both provided that such percentage shall not exceed five percent for any one Managing or whole-time Director and ten percent for all of them together.

159. The Directors may, subject to the provisions of Sections 291 to 297 of the Act, from time to time entrust to and confer upon a Managing Director or whole-time Director for the time being such of the power exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time and to exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient ; and they may confer such powers either collaterally with or to the exclusion of, and substitution for all or any of the powers of the Director in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### MANAGER

160. Subject to the provisions of the Act, the Board shall have powers to appoint or employ any person to be the Manager of the Company upon such terms and conditions as the Board thinks fit, and the Board may, subject to the provisions of Section 291 of the Act vest in such manager such of the powers vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such periods, upon such conditions and subject to such restrictions as it may determine, and at such remuneration as it may think fit.

161. A Director may be appointed as Manager

*Director may be  
appointed as  
manager*

#### SECRETARY

162. Subject to provisions of Section 383 A of the Act, the Board may from time to time appoint or employ any person to be the secretary of the Company upon such terms, conditions and remuneration as it thinks fit to perform any functions which by the Act or the Articles for the time being of the Company are to be performed by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some person (who need not to be the Secretary) to keep the registers required to be kept by the Company.

*Secretary*

163. Subject to the provisions of the Act, a Director may be appointed as Secretary

*Directors may  
be appointed  
as Secretary*



## THE SEAL

*Directors to  
provide a  
common Seal  
and its Custody*

164. (a) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Director shall provide for the safe custody of the seal for the time being.

*Use of Seal*

- (b) The Seal shall not be affixed to any instrument except in the presence of Two Directors or an officer duly authorised who shall sign every instrument to which seal shall be affixed, provided, nevertheless, that any instrument other than a share certificate bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (Issue of Share Certificates) Rules, 1960, shall apply.

*Official Seal for  
use outside  
India*

- (c) The Director may provide for use in any territory outside India an official seal subject to the provisions of Section 50 of the Act.

## ANNUAL RETURNS

165. The Company shall make the requisite Annual Returns in accordance with Sections 159 and 161 of the Act.

## RESERVES

166. Subject to the provisions of the Act the Board may from time to time, before recommending any dividend, set apart any such portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or the liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company, and may, subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares of the Company) as it may think fit, and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the reserves into such special funds as it thinks fit, with full power to employ the reserves or any part thereof in the business of the Company, and that without being bound to keep the same separated from the other assets. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as reserves.

167. All moneys carried to the reserves shall nevertheless remain and be the profits of the Company applicable, subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other moneys of the Company not immediately required for the purpose of the Company may subject to the provisions of Section 370 and 372 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or be kept at any Bank on deposit or otherwise as the Board may from time to time think proper. *Investment of the money*

### CAPITALISATION OF PROFITS

- 168 (1) The Company in General Meeting may, upon the recommendation of the Board, resolve : *Capitalisation*
- (a) to capitalise whole or any part of the amount for the time being standing to the credit or any of the Company's reserve accounts or to the credit of the profit and loss accounts, or otherwise available for distribution ; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause(2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards :-
- (i) Paying up any amounts for the time being unpaid on any shares held by such members respectively ;
  - (ii) Paying up in full, unissued shares, of the Company to be allotted and distributed, credited as fully paid-up, to be and amongst such members in the proportion aforesaid ; or
  - (iii) Partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (ii).
- (3) A share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article



*Board may  
make  
apportionments  
etc.*

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

#### INTEREST OUT OF CAPITAL

*Interest out of  
capital*

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

#### DIVIDENDS

*How profit shall  
to divisible*

171. Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto, the profits of the Company which shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of

the Company but so that holder of partly paid-up share shall be only entitled to such a proportion of the distribution upon a fully paid-up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms of providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid up in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

172. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject of the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. *Dividends*
  
173. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment. *Declaration of dividends*
  
174. No larger dividend shall be declared than is recommended by the Board but the Company in General Meeting may declare a similar dividend *Amount of dividends*
  
175. No dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central or State Government for the payment of dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company. *Dividends out of profits only*
  
176. The declaration of the Board as to the amount of net profits of the Company shall be conclusive, subject to the provisions of the Act. *Debits may be deducted*
  
177. The Directors, if in their opinion, the position of the Company justifies, may from time to time without the sanction of a General Meeting pay interim dividends to one or more classes of share holders to the exclusion of others at rates which may be differing from class to class and when declaring such dividend they should satisfy themselves that the preference shares which have prior claim in respect of payment of dividend shall have their entire rated dividend at the time of final preparation of accounts for the period.
  
178. No member shall be entitled to receive payment of any dividend in respect of his share or shares whilst any money may be due or owing from him as is



presently payable to the Company in respect of such share or shares or otherwise on account of any debts, liabilities or engagements of the members of the Company, either alone or jointly with any other person or persons, and the Directors' may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company.

- |  |  |
|--|--|
| <i>Dividends and call together</i>                         | 179. Any general meeting declaring a dividend may adjust 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 debt. The making of a call under this Article shall be deemed ordinary business of an ordinary meeting which declares dividend.  |
| <i>Effect to transfer</i>                                  | 180. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer by the Company.   |
| <i>Retaining of dividend under Transmission clause</i>     | 181. The Directors may retain in the dividends payable upon shares in respect of which any person is, under the Transmission Article, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.   |
| <i>Retaining of dividend on which the company has lien</i> | 182. The Directors may retain any dividend 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.   |
| <i>Joint-holders</i>                                       | 183. Any one of several person who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares.   |
| <i>Notice of any dividend</i>                              | 184. Notice of any dividend whether interim or otherwise shall be given to the person entitled to share therein in the manner hereinafter provided.  |
| <i>Payment by post</i>                                     | 185. Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the register in respect of the joint-holding or to such person and at such address as the member or person entitled or such joint-holders as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent or to the order of such other person as |

the member or person entitled or such joint-holders as the case may be, may direct.

186. Any dividend unclaimed shall be deposited in accordance with the provisions of the Act. *Unclaimed dividends*
187. The Company shall not be responsible for the loss of any cheque dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by and other means.

### BOOKS AND DOCUMENTS

188. The Director shall cause to be kept in accordance with Section 208 of the Act, proper books of accounts with respect to:-
- (a) all sums of money received and spend by the Company and the matters in respect of which the receipt and expenditure take place.
  - (b) all sales and purchases of goods by the Company.
  - (c) the assets and liabilities of the Company.
- 188A. The Directors shall lay before each Annual General Meeting Profit and Loss Account for the financial year of the Company and Balance Sheet as at the end of the financial year and audited by a qualified Auditor under the provision of the Act. *Books of account to be kept*
189. The books of accounts, shall be kept at the office or at such other place as the Board thinks fit, and shall be open to inspection by the Directors during business hours. *Balance sheet and Profit and Loss Account*
190. The Directors shall from time to time, subject to the provisions of Section 163, 196 and 219 of the Act determine whether and to what extent and at what time and places and under what conditions, the documents and registers or any of them maintained by the Company of which inspection is allowed by the Act shall be kept open for the inspection of the members. Till decided otherwise by the Board, such documents and registers shall be kept open, for inspection to the persons entitled thereto between 11 A.M. to 1 P.M. on all working days. No member (not being a Director) shall have any right to inspection of any account or book or documents of the Company except as conferred by law or by Act or authorised by the Directors, or by resolution of the Company in General Meeting and no member, not being a Director shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret process of or used by the Company. *Inspection of books*



- Audit* 191. Once at least in every year the books of accounts of the Company shall be examined by one or more Auditor or Auditors.
- Appointment of Auditors etc.* 192. The Company at each Annual General Meeting shall appoint an auditor or auditors to hold office until the next Annual General Meeting and their appointment, remuneration. Rights duties shall be regulated by Section 224 to 227 of the Act.
- Branch Audit* 193. Where the Company has a branch office, the provisions of Section 228 of the Act shall apply.
- Rights of auditor to attend General meeting* 194. All notices of, and other communication relating to any General Meeting of the Company which any member of the Company is entitled to have been sent to him shall also be forwarded to the Auditor of the Company and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.
- Auditor Report to be read* 195. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.
- When account to be deemed to be settled* 196. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive in respect of transactions of the Company for the relevant year.

#### SERVICE OF NOTICE AND DOCUMENTS

- Service of and notice to members* 197. The Company shall comply with the provisions of Section 53, 172 and 190 of the Act as to the serving of notices.
- Accidental omission not to invalidate proceedings* 198. The accidental omission to give notice to, or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- Transferees etc. bound by prior notice* 199. Every person who by operation of law, transfer, or other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register, shall be duly given to the person from whom he derives his title to such share.

200. The signature to any notice to be given by the Company may be written printed or lithographed. *Mode of signature*
201. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member be then deceased, be and whether or not the Company has share whether registered solely or jointly with other persons, until some other person be registered in his stead as the member in respect thereof and such service for all purposes of the Articles be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share. *Notice valid through member deceased*
202. Any notice required to be given by the Company to the members or any or them and not expressly provided for these by Articles or by the Act shall be sufficiently given if given by advertisement. *When notice may be given by advertisement*
203. Any notice required to be or which may be given by advertisement shall be advertised in one or more newspapers circulating in the neighborhood of the registered office. *How to be advertised*
204. Any notice by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear. *When notice by advertisement deemed to be served*

#### RECONSTRUCTION

205. On any sale of the whole or any part of the undertaking of the Company the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other Company, whether incorporated in India or not either then existing or to be formed for the purchase in the whole or in the part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding up) may distribute such shares or securities, or any other property of the Company amongst the members without realisation, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of cash shares or other securities, benefits of property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act, be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto save only in case the Company is proposed to be or is in course of being wound up and subject to the provision of Section 494 of the act as are incapable of being varied or excluded by these Articles. *Reconstruction*

#### WINDING UP

206. On winding, Preference Shares will rank as regards Capital in priority to Equity Shares, to the extent of the paid up value of the said shares but to no other rights of participating in its assets. *Right of preference share-holders*



*Distribution of  
assets in specie*

207. (1) Subject to the provisions of the Act, if the Company shall be wound up, the liquidator may with the sanction of special resolution of the Company and any other sanction required by the Act divide amongst contributories in specie or kind the whole or any part of the assets of the Company whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members of different classes of members.
- (3) The liquidator may, with like sanction of a special resolution vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories or any of them as the liquidator shall think fit.

*Distribution of  
assets*

208. (1) In the event of the Company being wound up, the holder of preference shares, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repaying to them the amount paid up to the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid up on the preference shares and arrears of dividend, such assets shall be distributed amongst the holders of preference shares that the losses be borne by the holders of preference shares as nearly as may be in proportion to the capital paid up which ought to have been paid up on the shares held by them at the commencement of the winding up and the arrears of dividend as aforesaid.
- (2) The assets, if any, available for distribution after payment to the preference share-holders as aforesaid shall be distributed amongst the holders of Equity Shares in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares in respect of which they were respectively registered.
- (3) This article is to be without prejudice to the right and privileges amongst holders of preference shares of different series.

**SECRECY***Secrecy*

209. Subject to provisions of Section 635B of the Act, every director, Manager Auditor, Trustee, Member of a Committee, Officer, Servant, Agent Accountant or other person employed in business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating

thereto, and shall be such declaration pledge himself not to reveal any of the matters which required so to do by the Board 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.

210. No member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine Company's premises or properties of the Company without the permission of the Board or subject to Article 191 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 within the opinion of the Director it will be expedient in the interest of the members of the Company to communicate.
- No. member to enter the premises of the company without permission*

#### INDEMNITY

211. Every Director, Managing Director, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed by the Company as Auditors shall be indemnified out of the assets of the Company against all liabilities incurred by him as such Director, Managing Director, Manager, Secretary, Officer or Auditor in defending any bonafide proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.
- Indemnity*
212. Save and except so far as the provisions of these articles shall be avoided by Section 201 of the Act, the Board, Managers, Auditors, Secretary and other Officers or Servants for the time being of the Company and Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them and every one of their executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their executors or administrators shall sustain by reason of any act done, concurred in or committed in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through or by their own wilful neglect or default, neglects or default of the other or other of them or for joining in any receipt for the sake of conformity or for any bankers or other persons with whom any moneys or effects belonging to the Company shall be deposited or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed or invested or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto unless the same shall happen by or through their own wilful neglect or default respectively



Sl. No.	Name, address description & occupation of subscribers	Signature of subscribers	Name, address description and signature of witness
1.	Harbans Lal Bansal, s/o Sh. Ram Lal 39/41, Punjabi Bagh, New Delhi-110026 Occp : (Business)	Sd/-	Sd/- (S.K. Rawal) Chartered Accountant J-143, Ashok Vihar Delhi
2.	Mohan Lal, s/o Shri Ram Lal House No. 389,6 New Town, Moga (Pb.) Occp : (Business)	Sd/-	
3.	Jaswant Rai, s/o Shri Ram Lal B-XVII-234, Bharat Nagar Chowk, Ludhiana (Pb.) Occp : (Business)	Sd/-	
4.	Raj Kumar, s/o Shri Ram Lal, 6, New Town, H. No. 389, Moga New Delhi-110026 Occp : (Business)	Sd/-	
5.	Sudershan Kumar s/o Ram Lal B-XVII-234, Bharat Nagar Chowk, Ludhiana Occp : (Business)	Sd/-	
6.	Naresh Kumar Bansal s/o Sh. Harbans Lal Bansal 39/41, Punjabi Bagh, New Delhi-110026 Occp : (Business)	Sd/-	

Dated this 12th day of February, 1974

For RAM STEEL TUBE CO.

*[Signature]*  
Company Secretary





Certified True Copy  
FM RAMASTEEL TUBES CO. LTD.

*K. Datta*  
Company Secretary