

**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
N. R. AGARWAL INDUSTRIES LIMITED**



FORM I. R.

**CERTIFICATE OF INCORPORATION**

No. 04-20795 of 1993-94

*I hereby certify that*

**N. R. AGARWAL INDUSTRIES LIMITED** is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

Given under my hand at **AHMEDABAD** this **EIGHTH** day of **DECEMBER**, One Thousand Nine Hundred and **NINETY THREE**.



Sd/-

**(V. K. PARMAR)**

*Registrar of Companies*

**GUJARAT**

**Dadra & Nagar Haveli**



Company No. 04-20795  
**CERTIFICATE FOR COMMENCEMENT OF BUSINESS**

Pursuant of Section 149 (3) of the Companies Act, 1956

*/ hereby certify that*

***N. R. AGARWAL INDUSTRIES LIMITED** which was incorporated under the Companies Act, 1956 on the **Eighth** day of **December, 1993** and which has this day filed a duly verified declaration in the prescribed form that the conditions of Sections 149(1)(a) to (d)/149(2)(a) to (c) of the said Act, have been complied with is entitled to commence business.*

*Given under my hand at **AHMEDABAD** this **TWENTIETH** day of **DECEMBER**, One Thousand Nine Hundred **NINETY THREE***

Seal  
Of the  
Registrar of  
Companies,  
Gujarat

Sd/-  
**(V. K. PARMAR)**  
*Registrar of Companies*  
**GUJARAT**  
**Dadra & Nagar Haveli**



No. L22210MH2001PLC133365

[Section 18(3) of the Companies Act, 1956.]

**CERTIFICATE OF REGISTRATION OF THE ORDER OF COMPANY  
LAW BOARD CONFIRMING TRANSFER OF THE REGISTERED  
OFFICE FROM ONE STATE TO ANOTHER**

The N. R. AGARWAL INDUSTRIES LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the registered office by changing it from the State of Gujarat to the State of Maharashtra and such alteration having been confirmed by an order of the Company Law Board, Western Region Bench, Mumbai bearing date the 19th day of June, 2001.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Mumbai this Fourteenth day of September, 2001.

**(B. CHANDRA)**  
Dy. Registrar of Companies,  
Maharashtra, Mumbai.



**MEMORANDUM OF ASSOCIATION**  
**OF**  
**N. R. AGARWAL INDUSTRIES LIMITED**

- I. The name of the Company is "N. R. AGARWAL INDUSTRIES LIMITED".
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are :

**[A] MAIN OBJECT TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**

1. To carry on the business of manufacturers of and dealers in all kinds and classes of paper, board and pulp including writing paper, printing paper, wrapping paper, newsprint paper, tissue paper, filter paper, art paper, woven paper, gummed paper, carbon paper, litmus paper, photographic paper, glass paper, emery paper, straw board, mill board, corrugated board, duplex and triplex boards, soda pulp, mechanical pulp, and sulphite pulp.

**[B] INCIDENTAL FOR ANCILLARY OBJECTS TO THE ATTAINMENT OF THE MAIN OBJECT:**

1. To purchase, take on lease or on tenancy or in exchange, hire, take options over or otherwise acquire any estate or interest whatsoever and to hold, develop, work, deal with and turn to account concessions, grants, decrees, licences, privileges, claims, options, leases, property, real or personal, or rights or powers of any kind, which may appear to be necessary or convenient for any business of the Company.
2. To acquire by purchase, lease, concession, grant, licence or otherwise, such lands, buildings, minerals, water-works, plant, machinery, stock-in-trade, stores, rights, privileges, easements, and other property as may from time to time be deemed necessary for carrying on the business of the Company, and to build or erect upon any land of the Company, howsoever acquired, such factories, workshops, warehouses, offices, residences and other buildings, and to erect such machinery and construct such roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, water courses, hydraulic works and conveniences as may be deemed necessary for the purposes of the Company, or any of them and to hold any property whatsoever, either in India or abroad.
3. To construct, carry out, maintain, improve, manage, work, control and superintend any huts, markets, reservoirs, water-works, tanks bridges and works in connection therewith, hydraulic works, electrical works and factories, coolie lines and houses and bustees, village and conveniences which may seem directly or indirectly conducive to any of the objects of the Company, and to contribute to, subsidise or otherwise aid or take part in any such operations.
4. To apply for, purchase or otherwise acquire and project, prolong and renew, whether in India or elsewhere, any patent rights, inventions, trade marks, designs, licences, protections, concessions and the like, conferring exclusive, and non-exclusive or limited rights to use any or limited rights to use any or other information as to any invention or otherwise or any process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition which may seem calculated directly or indirectly to benefit the Company.
5. To enter into any arrangement with Governments or authorities, 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, any rights, privileges and concessions, which the Company may think it desirable to obtain, and to carry out, exercised and comply with any such arrangements, rights privileges and concessions.
6. To provide to or acquire from any person, firm or body corporate, whether in India elsewhere, technical information, know-how, processes, engineering, manufacturing and operating data plans, lay outs and blue-prints useful for the design, erection and operation of the plant required for any of the business of the Company, and to provide or acquire any grant or licence and other rights and benefits in the foregoing matters and things.
7. To pay, out of the Company's funds, expenses incurred in connection with all matters, preliminary and incidental to the formation, promotion and incorporation of this Company and costs, underwriting expenses, brokerage on issue of shares of debentures, incentives and expenses, incurred in connection with all matters preliminary and incidental to the formation and incorporation of any Company which may be promoted by this Company and to underwrite the shares or debentures issued by any such Company.
8. To give publicity to the business and products of the Company and its constituents

and associates, and popularise brands in India and foreign markets, by means of advertisements in the press, pamphlets, handbills, circulars, advertisement reel, posters, cinema slides, on radio or television or by publication of books periodicals and magazines, by purchase and exhibitions of works of art, by granting rewards, prizes and donations and by any other suitable means.

9. To establish, provide, maintain and conduct or, otherwise subsidise research laboratories, and experimental workshops, for scientific and technical research and experiments, to undertake and carry on scientific and technical researches, experiments and tests of all kinds, to promote studies researches, both scientific and technical investigations and inventions, by providing subsidising and or assisting laboratories, workshops, lectures, meetings and conferences and by providing or contributing to the award of scholarships,, prizes and grants to Students, or otherwise generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
10. To receive money on deposit or loan, borrow or raise money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property 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 or Company of any obligation undertaken by the Company or any other person or Company as the case may be. So however that the company shall not be engaged in the business of banking as per Banking Regulation Act.
11. To open account in any bank and 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 instruments in connection with the business.
12. To sell, exchange, mortgage, let on lease, rent, royalty or tribute, grant licences, easements, options and other rights over, and in any other manner deal with or dispose of, the property, movable and immovable (including land, building, plant and mahchinery), assets rights and effects of the Company or any part thereof for such consideration as may be thought fit and in particular for stocks, shares whether fully partly paid-up or securities of any other Company having objects in whole or in part similar to those of the Company.
13. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture stock, contracts, mortgages, charges, obligations, instruments and securities of any Company or of any authority, supreme, municipal, local or otherwise or of any person whom soever, whether incorporated, and generally to guarantee or become surety for the performance of any contract or obligation in connection with the business of the Company.
14. To lend money to such persons, firm, companies, bodies corporate and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts by such persons.
15. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined,
16. To acquire shares, stocks, debenture-stock, bonds, obligations or securities of Companies, having similar objects and to exercise and enforce all rights and

powers conferred by or incidental to the ownership thereof, and to permit the same to be held by any person or Company on behalf of or in trust for the Company.

17. To deal in all materials and substances used in the manufacture, production or treatment of paper, board, pulp and other substances, articles and things the manufacture of which the Company is authorised to undertake and to turn to account, render marketable and deal in any of the by-products of the manufacturing process which the Company may undertake.
18. To acquire and undertake the whole or any part of the business, property, and liabilities of any person or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of this Company.
19. To undertake and execute any trust the undertaking of which may seem to the Company desirable either gratuitously or otherwise and vest any movable or immovable property, rights or interest acquired by or belonging to the Company in any person or Company for the benefit of the Company and with or without any declared trust in favour of the Company.
20. To support, donate, contribute or subscribe to any charitable, benevolent, or public object or any other general or useful object or any institution, fund, trust, association, society or club or any other body or to any other object which may be for the benefit of the Company or its employees or may be connected with any town, or place where the Company has business connection and to give or award pensions, annuities, gratuities and super-annuities or other allowances or benefits or charitable aid to any persons who are or have been directors of, or who are or have been employed by, or who are serving or have served the Company, and to the wives, widows and other relatives and dependents of such persons or to make payment towards insurances, and to set up establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such person or persons, and their wives, widows and other relatives and dependents.
21. To aid pecuniarily or otherwise any association, body or movement having for an object, the solution settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
22. To acquire and hold with shares, stocks, debentures, debenture-stock, bonds, obligations, and securities issued or guaranteed by any company constituted or carrying on business in India, and debentures, debenture-stock, bonds, obligations and securities of any company having similar objects.
23. To promote any other company for the purpose of acquiring all or any of the property rights and liabilities of the Company or advancing directly or indirectly the objects or interest thereof and to take or otherwise acquire and hold shares, stock or debentures in any such company and to guarantee the payment of any debentures or other securities issued by any such company.
24. To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture, reciprocal concession, or otherwise, with any person or company in any business or transaction directly or indirectly to the benefit of this Company, and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, the same.
25. To amalgamate with any other company whose objects are similar to those of this Company whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking subject to the liabilities of this or any other company

as aforesaid with or without winding up or by sale or purchase (for fully or partly paid up shares or otherwise) of all the shares or stock of this or any such other company as aforesaid.

26. To procure the incorporation, registration or other recognition of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business.
27. To do all or any of the above things in any part of the world as principals, agents, trustees, contractors and either alone or in conjunction with other and either by or through agents, sub-contractors, trustees or otherwise as are incidental or conducive to the attainment of the subject.
28. To engage, employ, suspend and dismiss employees, agents contractors and other servants, and to remunerate any such person in such manner, or at such rate, as shall be thought fit, to grant bonus, compensation, pension, gratuity or other benefit to any such person or to his widow, children or dependents or generally to provide for the welfare of all employees.
29. To institute and to defend any suit, appeal, application for review or revision or any other application of any nature whatsoever, to take out executions, to enter into agreements, to refer to arbitration and to enforce and, where need to be contest any award and for all such purposes to engage or retain counsels, attorneys and agents and when necessary to remove them.
30. To appoint Directors or Managers of any subsidiary company or any other company in which this Company is or may be interested.
31. 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 of the shares in the Company's capital or any debentures, debenture-stock or other securities of the Company, or in or about the conduct of its business
32. To insure all or any of the properties or assets or obligations of the Company of whatsoever nature against any risk whatsoever.
33. Subject to the provisions of Section 78 of the Companies Act, 1956, to place, to reserve or to distribute as dividend or bonus or bonus shares among the members, or otherwise to apply, as Company may from time to time fit, any moneys belonging to the Company including those received by way of premium on shares or debentures issued by the Company at a premium and moneys received in respect of dividends accrued on forfeited shares and moneys arising from the reissue by the Company of forfeited Shares.
34. To manage lands, buildings, houses and any other property belonging to the Company, to collect rent and income, and supply to tenants and occupiers all kinds of convenience and advantage.
35. To give guarantees or counter guarantees to any person, firm, body corporate, bank, insurance company, or financial institution for advances, taken, deferred payment guarantees obtained or any other financial accommodation taken and/or in connection with any business or transaction of the Company, and to remunerate, by way of commission or otherwise any person, persons or company for the services rendered or to be rendered.

**[C] OTHER OBJECTS :**

1. To carry on the business as manufacturers, traders, importers and exporters of and dealers in aluminium utensils, steel utensils and all other types of utensils and kitchen requisites.

2. To act as business consultants, give advice, to engage in dissemination of information in all aspects of business Organisation and industry and to advise upon the means and methods for extending and developing systems or process relating to production, storage, distribution, marketing and securing of orders for sale of goods in India and abroad and/or relating to the rendering of services.
3. To carry on the business of running motor lorries, motor taxis, mini buses and conveyances of all kinds and to transport passengers and goods and to do the business of common carriers.
4. To carry on the business of wholesale, retail or otherwise of interior decorators, furnishers, upholsterers, and dealers in and hirers, repairers, cleaners, storers and warehousemen of furniture, carpets linoleums furnishing fabrics and other floor coverings, household utensils, china and glass goods, fittings, curtains and other household requisites.
5. Subject to the provisions of law to carry on business as brewers, distillers, bottlers, canners, preservers, coopers, dehydrators, malsters and merchants of and dealers in fruits, herbs, vegetable plants, and liquors of every description and by-products therefrom, whether intoxicating or not, tonics, vitamin beverages flavoured drinks, nector, punch, aerated waters and drinks whether soft or otherwise.
6. To carry on the business of tobacconists in all its branches and to sell, manufacture and manufacture tobacco, cigars, cigarettes and snuff.
7. To act as cargo agents, travel agents, insurance agents, ship brokers, charter party contractors, ship agents, packing forwarding and clearing agents, salvors, wreck removers, wreck raisers, auctioneers, inspectors and observers of quality control, custom house agents, commission agents and general sales agents for any of the air liners, steam-ship companies, railways and transport companies or any like person.
8. To carry on the business of cold storage of fruits, seeds, fish meat, and agricultural products, milk dairy products and other items.
9. To carry on the business of production, distribution or exhibition of films and motion pictures, including the running of theatres, cinemas, studios and cinematographic shows and exhibitions.
10. To cultivate, grow, produce or deal in any agricultural, vegetable or fruit products and to carry on all or any of the businesses of farmers, dairymen, milk contractors, dairy farmers, millers, purveyors and vendors of milk products, condensed milk and powdered milk cream, cheese and butter.
11. To cultivate tea, coffee, cinchona and any similar produce and to carry on the business of planters in all its branches, to carry on and do the business of cultivators, winners and buyers of every kind vegetable mineral dispose of and deal in any such produce either in its prepared, manufactured or raw state and either wholesale or retail.
12. To carry on the business of purchase and sale petroleum products, to act as dealers and distributors for petroleum companies, to run service stations for the repair and servicing of automobiles and to manufacture or deal in fuel oils, cutting oils and greases.
13. To carry on the business of iron-founders, makers of scientific, industrial and surgical instruments, mechanical engineers and manufacturers of agricultural implements and other machinery, steel castings and forgings and malleable iron and steel

castings, tool makers, brass founders, metal workers, boiler-makers, mill wrights, machinists, iron and steel converters and to buy sell, manufacture, repair, convert, alter, let on hire and deal in machinery, impliments and rolling stock.

14. To carry on business of hoteliers, moteliers, restaurant owners, sweet-meat merchants, refreshment room proprietors, refreshment contractors and own and run garages, shops, stores, godowns, bars, refreshment rooms, cafeterias, discotheques, restaurants, and places for sale, custody, bailment, deposit or protection of the valuable goods and commodities.
15. To carry on the business of manufacturing, and dealing in assembling, buying, selling, reselling, exchanging, altering importing, exporting, hiring, letting on hire, distributing or dealing in motor cars, motor cars, motor cycles, scooters, motor buses, motor lorries, motor vans, trucks, locomotive engines, trains and all other road and rail conveyances, ships, boats, barges, launches, steamer submarines, and other underwater vessels, and conveyance of every description and kind for transport or conveyance of passengers, merchandise or goods of every description, whether propelled or moved or assisted by means of petrol, spirit, electricity, steam, oil vapour, gas, petroleum, mechanical, animal or any motive power.
16. To carry on the business of manufacturing dyeing colouring, spinning, weaving, sizing, selling, importing, exporting or otherwise dealing in all fabrics and other fibrous substances and preparations and manufacturers of and dealers in cotton, silk, woolen, linen, hemp, jute, rayon, nylon, artificial silk and other yarn and all kinds of woven synthetics and synthetic blended textiles manufactured from such yarn.
17. To carry on the business as manufacturers of and dealers in industrial machinery bearing speed reduction units, pumps, machine tools, agricultural machinery and earth-moving machinery including road rollers, bull-dozers, sumpters, scrapers, loaders shovels and drag lines and light engineering goods such as cycles and sewing machines.
18. To carry on the business of manufacturers of or dealers in ferrous or non-ferrous metals, goods including iron and steel, aluminium, brass, tin, nickel, special steels and their products.
19. To carry on business as manufacturers, stockists, importers and exporters of and dealers in engineering drawing sets, builders, requisites, steel rules, measuring tapes, cutting tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools, instruments, apparatus and other allied machinery, plant, equipment and appliances.
20. To carry on business as manufacturers, stockists, importers and exporters of and dealers in bolts, nuts, nails, hooks and other hardware items.
21. To carry on business as manufacturers, stockists, importers and exporters of and dealers in forgings, castings, Stampings of all metals, machinery parts, moulds, press tools, jigs, fixtures and compression moulding, steel products and automobile parts.
22. To carry on business as manufacturers, stockists, importers, exporters and repairers of and dealers in dynamos, motors, armatures, magnets, batteries, conductors, insulators, transformers, converters, switch-boards, cookers, engines, guns, presses all types insulating material.
23. To carry on business as manufacturers, stockists, importers and exporters and or dealers in high density Polythene and polypropylene, woven sacks and tarpaulins.
24. To carry on business as manufacturers of and dealers in and as stockists, importers,

and exporters of packing materials, jointing and belting materials, asbestos materials and fibres, fibreglass, insulation materials and welding fluxes cartons, containers, boxes and cases made of paper, boards, wood, glass plastic, pulp, cellulose films, polythylene rubber, metals, metal foils, gelatine, tin, flexible, treated and laminated or other materials.

25. To carry on business as manufacturers of and dealers in and as stockists, importers and exporters of bottles, jars, fibrite boxes, corrugated containers, aluminium films of all types, wooden drums, packing cases, wires, ropes, strips, conductors equipment required for generation, distribution and transmission of electric energy, cables, motors, fans, furnaces, batteries and accumulators.
26. To sell, breed, import, export, improve, prepare, deal and trade in cattle, bird, poultry, game, live and dead-stock of every description, eggs, prokpies, sausages, pickles, spices, sauces, jams, jelly, custard prawn, potted meats, macaroni, spaghetti, table delicacies, bread, biscuits, wine biscuits and other fermentitious goods and products cocoa, confectionery, cakes and buns.
27. To carry on all or any of the trades and the businesses of meal manufacturers dealers in consumable stores and provisions of all kinds, food stuffs, grains flour, seeds, fodder, cane, oils, corn, wheat products, stores, vegetable oils, ghee and vanaspati products.
28. To set up a tannery and to carry on the business as manufacturers of and dealers in and importers and exporters of leather and raw hides and skins.
29. To carry on the business as manufacturers of and dealers in or as stockists, importers and exporters of plastics, plastic products, synthetic resins, natural resins, polymer products and chemicals required for the manufacture, processing and fabrication of plastics and tubes, pipes, sheets, films, whether moulded, extruded, casted, formed or foamed.
30. To purchase, hold and acquire mines, mining leases, mining rights, mining claims and metalliferous lands and to explore, work exercise, develop and turn to account all sorts of major and minor minerals, working of deposits of all kinds of minerals and subsoil materials and to crush, win, set, quarry, smelt, calcine, refine, dress amalgamate, manipulate and prepare for the market ores, metals, and minerals substances of all kinds and to carry on metallurgical - operations in all its branches and to prepare, process manufacture, assemble, fabricate, cast, fit, press, machine, treat, weld harden, plate tamper, anneal any kind of metals and consequential products.
31. To produce manufacture, trade, deal in and dispose alkalies, dyes, chemical products of every nature and description, intermediates, derivatives, all types of floatation reagents, wetting agents, insecticides, fumigates, dyestuffs, explosives, catalytic agents; direct colours basic colours, pigments, drugs biologicals, pharmaceuticals, serums, vitamin products, hormones and products derived from phosphate mines, limestone quarries, bauxite mines, petroleum, natural gas and other natural deposits useful or suitable in the manufacture of chemicals and chemical products and to undertake the business of spraying of pesticides.
32. To manufacture, generate, produce, sell, dispose of and deal in industrial gases, domestic gases for heating and lighting, gas, steam, heat light or any other motive power obtained by incinerating, burning forest refuse, wood and plants.
33. To manufacture, buy, sell, import, export, alter, improve, manipulate, prepare for market, exchange, install, repair, service, let on hire and deal in all kinds of surgicals, x-ray units, x-ray equipments, telecommunication machines, business machines, intercoms, teleprinters, dictating and recording machines, broadcasting apparatus

tuses, loud speakers, radios, auto-radios, reverberators, tape-players, cassette tapes, headphones, stereo-complex speakers, radio control equipments, cameras, binoculars microscopes, projectors, telescopes, television sets, refrigerators air-conditioners, coolers, radars computers and spare parts.

34. To produce or develop and supply technical knowhow for the manufacture or processing the installation of erection of machinery or plant in the working of mines, oil wells or other sources of mineral depositor in search for or discovery or testing of minerals deposits or in carrying out any operations relating to agriculture, animal husbandry, dairy or poultry farming, forestry or fishery or rendering services in connection with the provision of such technical know-how,
35. To undertake guarantee and indemnity business and to act as trustees, executors attorneys, receivers, administrators, nominees and agents and to execute trusts of all kinds and to exercise all the power of custodians and trustees.
36. To deal in foreign exchange and currencies and to convert currencies subject to approval of appropriate authorities.
37. To organise and carry on the business of advertisers, advertising agents, and consultants and to organise propaganda and advertising campaigns by means of press advertisements, pamphlets, handbills, circulars, advertisement reels, posters, cinema slides or by any other means or through the means of radio, television or any other media.
38. To undertake and execute, in India or in any part of the world, turn-key projects for electrical installations, air-conditioning, refrigeration, heating, cooling, ventilation, humidification, sanitary, thermal and acoustic insulation work.
39. To carry on the business as manufacturers, traders, importers and exporters of and dealers in all kinds of carpets and floor coverings, whether made of woolen, cotton, synthetic or other fibres or fibrous materials.
40. To carry on the business as traders, importers and exporters of and dealers in cotton and jute, whether raw, semi-processed and all kinds of cotton and jute goods.
41. To subscribe for purchase, take, acquire and hold, sell, exchange and deal in shares, stocks, bonds, debentures, obligations or securities of any Government, local authority or other interest in any other Company, to carry on all their respective branches the business of hire purchase, housing and general finance, to lend money and negotiate loan and to draw, accept endorse, discount, buy, sell and deal in bills of exchange, promissory notes, bonds, debentures, hundies and other negotiable instruments and securities.
42. To carry on the business of public transporters and to ply all types of commercial vehicles and pick up vans for carrying goods or passengers anywhere in India.
43. To carry on the business as importers, export agents, distributors, stockists, contractors, suppliers, dealers of any kind and to act as manufacturers, representatives, agents, brokers, commission agents and merchants of commodities, articles, products and merchants of any kind or nature.
44. To carry on the business of importers, exporters, dealers, traders, manufacturers of traders, earthmoving equipments, canal equipments, and machine tools and other allied products.
45. To carry on the business of manufacturing of and dealing in all kinds of glass, glass wares and china wares.

46. To manufacture, produce, refine, prepare, buy, sell and generally to deal in sugar, sugarcandy, jaggery, sugar beet, sugarcane, melada and all sugar products such as confectionery glucose, sugar-candy and all or any by-products thereof and in connection therewith to acquire, construct, operate factories for the manufacture of sugar or any of its products or by-products and acquire or manufacture machinery for any of the above purposes.
  47. To carry on the business of printers, publishers, manufacturers and/or dealers of newspapers, periodicals, magazines, books, greeting cards, playing cards of all types, and stationery of all kinds.
  48. To carry on business as goldsmiths, silver smiths, jewellers, gem merchants, electroplaters, polishers, purifiers, importers, exporters and to buy, sell, design, cut, polish and deal in bullions, precious stones, semi-precious stones, diamonds, pearls, jewellery, gold and silver plated jewellery, electroplates, bronzes and objects of art.
  49. To run beauty saloons, gymnasiums, swimming pools, squash and tennis courts, health clubs and other centres for physical health and recreation activities.
  50. To trade, deal in and undertake manufacturing of bricks, tiles, pipes, cement, lime, and buildings construction requisites and to carry on all or any of the business of builder, building organizers, contractors, architects, decorators and furnishers and to acquire, hold mortgage, lease, take on lease, exchange or otherwise deal in lands, buildings, houses, flats, bungalows, shops, hereditaments of any tenure or freehold for residential or business purposes.
  51. To carry on business of leasing, lease financing, hire purchase financing in all its branches in respect of vehicles, aeroplanes, launches, boats, ships, mechanical appliances, radio and television sets, musical instruments, photographic equipments, electrical goods, cinematographic machines and apparatus, domestic appliances, furniture, fixtures and all classes of machinery, appliances and articles.
  52. To purchase, sell, import, manufacture, pack, replace or otherwise deal in all types of cosmetics, perfumes, tooth paste, tooth brush, face powder, face cream, face foundation, skin creams, hair dyes shaving soaps and creams, shaving brushes, blades and razors, slurries, soap, soap powders, after shave soaps, medicated soaps, leather soaps, abrasives, cleaners, elastic bandages and combinations thereof, quill pens, tooth picks, brushes, toilette requisites and preparations, lipstick, eye liners, hair removers, mascara, hair oils, sprays, perfumes and cosmetics.
  53. To carry on all or any of the business of chemists, druggists, chemical manufacturers and traders, importers, exporters and manufacturers of and dealers in pharmaceutical and medicinal preparations,
  54. To plant, cultivate, produce, raise, manufacture, purchase, sell import, export or otherwise deal in grass, timber, wood, bamboo, straw and other forest products, cotton, jute, flex, hemp, beggase, leather, rags, waste paper or other fibres, fibrous substances as may furnish materials as pulp and for paper and board manufacture in any of its branches.
- IV. The liability of the members is limited.
- V. The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty five Crores Only) divided into 2,25,00,000 (Two Crore twenty five Lakhs) Equity shares of Rs.10/- (Rupees Ten Only) each and 25,00,000 (twenty five lacs) 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 of opposite our respective names:

Sr. No.	Name, Address, Descriptions, Occupations and Signature of the Subscribers	Number of Equity Shares Taken by each Subscriber	Name, Address Description and Occupation of the Common Witness
1.	<b>Nagin Radhakishran Agarawal</b> Son of Radhakishan Agarwal Atul Society Vapi. Business Sd/-	1 (One)	Common Witness for all  <b>Surendra N. Shah</b> Son of Nemchand Shah 403, Hemkoot, Opp. B.M. Institute, Ashram Road, Ahmedabad-380009. Chartered Accountants Sd/-
2.	<b>Rameshchandra Vana Rane</b> Son of Vana Rane Darshana Appartment, Vapi Service Sd/-	1 (One)	
3.	<b>P.K. Balakrishna Pillai</b> Son of G. Narayana Pillai R.B.L. 53/632, Chanod Housing Colony, Vapi-396-195. Services Sd/-	1 (One)	
4.	<b>Jagannath V. Patel</b> Son of Vishwanath Patel C/27/448, G.I.D.C., Vapi Service Sd/-	1 (One)	
5.	<b>Bhart M. Naik</b> Son of Mohanbhai Naik Amardeep 1 <sup>st</sup> Floor, Udwada Rs. Service Sd/-	1 (One)	
6.	<b>M. N. Antony</b> Son of M.P. Devassy RBL/44-526, Chanod Housing Colony, Vapi-396 195, Service Sd/-	1 (One)	
7.	<b>M.A. Sheikh</b> Son of M.S.B. Sheikh GHB Block No-12 Room No.- 271/272, G.I.D.C., Vapi Service Sd/-	1 (One)	
	<b>Total</b>	7 <b>(Seven)</b>	

Place: Vapi

Dated this 20<sup>th</sup> day of November, 1993



**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**N. R. AGARWAL INDUSTRIES LIMITED**

**I. PRELIMINARY**

1. The regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956, shall not apply to this Company.
2. The regulations for the management of the Company and for the governance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to its regulations by special resolutions, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

**3. IN THESE ARTICLES :**

Unless the context otherwise requires

- i) The Company or this Company means N. R. AGARWAL INDUSTRIES LIMITED
- ii) The words or expressions contained in these Articles shall bear the same meaning as in the Act.
- iii) "The Act" means the Companies Act, 1956, or any statutory modification thereof and "Section" shall mean a Section of the said Act.
- iv) "The Seal" means the common Seal of the Company,
- v) "Office" means the Registered Office of the Company.
- vi) Words importing singular shall include plural and vice versa and words importing the masculine gender shall include females and the words importing persons shall include body corporate.
- vii) "Month" and "Year" means a calendar month and a calendar year respectively.
- viii) Expressing referring to "Writing" shall be construed as, include references to printing, lithography, photography and other modes of representing or reproducing words in visible form.
- ix) "The Register" means the register of members to be kept pursuant to the Act.

**3A) DEMATERIALISATION OF SECURITIES**

**For the purpose of Article:**

"SEBI" means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.

“Depositories act” means the Depositories Act, 1996 including any statutory modifications of re-enactment thereof for the time being in force.

“Depository” means a Company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under Sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

“Beneficial Owner” means a person whose name is recorded as such with a depository.

“Bye-laws” means byelaws made by a Depository under Section 26 of the Depositories Act.

“Member” means the duly registered holder from to time of the shares of the Company and includes every person whose name is entered as Beneficial Owner in the records of the Depository.

“Participant” means a person registered as such under Section 12(1A) of the Securities and Exchange Board of India Act, 1992.

“Record” includes the records maintained in the form of books of stores in computer or in such other form as may be determined by regulations made by SEBI in relation to the Depositories Act.

“Regulations” means the regulations made by SEBI.

“Security” means such security as may be specified by the SEBI Board.

Words imparting the singular number only include the plural number and vice versa.

Words imparting persons include corporations.

Words and expressions used and not defined in the Depositories Act, shall have the same meaning respectively assigned to them in that Act.

## **II. CAPITAL**

4. The Authorized Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty five Crores Only) divided into 2,25,00,000 (Two Crore twenty five Lakhs) Equity shares of Rs. 10/- (Rupees Ten only) each.
5. The Company shall have the power to increase or reduce the capital for the time being of the Company and to divide the shares in the capital into several classes with rights, privileges or conditions as may be determined.
6. Subject to the provision of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or, at the option of the Company, are liable to be redeemed, and the Resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

## **III. SHARES**

7. Subjection to the provisions of the Act and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium

or at part or (Subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as it may from time to time think fit and proper and, with the consent of the General Meeting, give to any person the option to call for or be allotted any class of shares of the Company either at par or at a premium or Subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit.

7A. The company shall have power subject to and in accordance with all applicable provisions of the Act, If and when any statutory amendment thereto for the time being or any re-enactment thereof empowers the company so to do, to purchase / acquire any of its own fully paid shares, whether or not they are redeemable.

7B (a) Where it is proposed to increase the subscribed Capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid up on these shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time as specified under the Companies Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice, aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose them off in such manner as they think most beneficial to the Company.

(b) Notwithstanding anything contained in the preceeding subclause, the Company may-

- (i) by a special resolution, or
- (ii) where no such special resolution is passed, if the votes cast whether on a show of hands, or on a poll, (as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company, offer on preferential allotment basis or otherwise in such manner as it may decide further shares to any person or persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.

(c) Notwithstanding anything contained in sub-clause(a) above, but subject however to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

#### **IV. PAYMENT OF COMMISSION AND BROKERAGE**

8. (1) The Company may exercise the powers of paying commissions conferred by Section 76, provided that the rate percent or the amount of the Commission paid or agreed to be paid shall disclosed in the manner required by that section.
- (2) The rate of the commission shall not exceed the rate of five percent of the

price at which the shares in respect whereof the same is paid are issued or an amount equal to five percent of such price, as the case may be and in case of debentures two and half percent of the price at which debentures are issued.

- (3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in one way and partly in the other.
- (4) The Company may also pay such brokerage as may be lawful on any issue of shares or debentures.

#### **V. TRUSTEES NOT RECOGNISED**

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

#### **VI. MODIFICATION OF RIGHTS**

10. (1) if at any time the share capital is divided into different classes of shares, the right attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to provisions of Sections 106 and 107 and whether or nor the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares, of that class.  
  
(2) To every such separate meeting, the provisions of these Articles relating to general meetings, shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issue shares of the class in question.
11. The rights conferred upon the holders of the shares of any class issued with preferred or other right shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu herewith.

#### **VII. SHARES CERTIFICATES**

12. The Company shall cause to be kept a Register and index of Members in accordance with Sections 150 and 151 of the act, and the Companies (Issue of Shares Certificates) Rules, 1960, and any modification thereof. Every member who changes his name or address shall give notice of the change of name or address to the Company.
13. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided.
14. Subject to the provisions of Act, and of these Articles the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall deemed to be fully paid up shares.

15. (1) Where the Company issues shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium shall be transferred to an account, to be called "Share Premium Account" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in this clause, apply as; if the share premium account were paid-up share capital of the Company.,
  - (2) The share premium account may, notwithstanding sub-clause (1) hereof, be applied by the Company;
    - (a) in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
    - (b) in writing off the preliminary expenses of the Company;
    - (c) in writing off the expenses of, or the commission paid or discount allowed on any issued of shares or debentures of the Company, and
    - (d) in providing for the premium payable on the redemption if any redeemable preference shares or of any debentures of the Company.
16. If by the terms of issue of any shares or otherwise the whole or any part of the amount or issue price thereof shall be payable by installments at a fixed time, every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time is the registered holder of the shares or his legal representatives.
17. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.
18. The money (if any) which the Board of Directors shall on the allotment of any shares being made by it, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by it, shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
19. Every member, or his heirs, 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 amounts at such time or times and in such manner, as the Board of Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.
20. The Company shall unless the conditions of issue otherwise provide within three months after allotment of any of its shares or debentures and within two months after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificate of all shares and debentures allotted or transferred.
21. Every member or allottee of shares be entitled, without payment, to receive one or more Certificate in the marketable lot for all the shares of the same class registered in his name and specifying the name of the person in whose favour it is issued, the share certificate number and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the company of its letter of allotment or its Fractional Coupons of requisite Value, Save in cases of issues against Letters of Acceptance or for

renunciation or in cases of issue of bonus shares PROVIDED THAT if the Letter of Allotment is lost or destroyed the Board may impose such reasonable terms. If any as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the company in investigating the evidence. If any member shall require additional certificates he shall pay for each additional certificate (not being in the marketable lot) such sum not exceeding One Rupee as the Board shall determine. The certificate of title to shares shall be issued under the Seal of the Company in conformity with the provisions of the companies (Issue of share certificate) Rules, 1960 any statutory modification or reenactment thereof for the time being in force.

22. Any two more joint allottees or holders of shares shall, for the purpose of Article 21 be treated as a single member and the certificate for any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.
23. A certificate of shares may be renewed or a duplicate issued in accordance with provisions of the Act, and the Companies (Issue of Shares Certificates) Rules, 1960, and any modification thereof.
24. If any shares stands in the name of two or more persons, the person first named in the Register of Members, shall as regards receipt of dividends or bonus or service of notice and/or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof, but the joint holders of a share be, severally as well as jointly, liable for the payment of all instalments and calls due in respect of such share, and for all incidents thereof according to these Articles.
25. (1) The Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these presents otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these presents in the persons from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or the survivors of them.  
  
(2) Save as herein otherwise provided, the Company shall be entitled to treat the persons whose name appears on the Register of Members as the 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 Law required) be bound to recognise any benami, trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.
26. Shares may be registered in the name of an incorporated company or other body corporate but not in the name of a person of unsound mind or in the name of any firm or partnership.
  - A. Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the Certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.
  - B. Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its existing securities, rematerialize its securities held in the Depositories and / or offer its fresh securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder,

if any.

- C. Even person subscribed to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository.

If a person opts to hold his security with Depository, the Company shall intimate such Depository the details of allotment of the Security and on receipt of the information, the Depository shall enter in its record the name of the allottees as the Beneficial owner of the security.

- D. All the securities held by a depository shall be dematerialized and be in tangible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.

- E. (a) Notwithstanding anything to the contrary contained in the Act, or these Articles, a Depository shall be deemed to be registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.

- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.

- (c) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

- F. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equitable, contingent, future or partial interest in any share or (Except only as is by these Articles otherwise expressly provided) any right in respect of a share other than absolute right thereon in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereon, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivors of them.

- G. Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the byelaws and the Company in the behalf.

- H. Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

- I. If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.

The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company.

The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such condition and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

- J. Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a Depository, the record of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- K. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien or shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.
- L. Notwithstanding anything in the Act, or these Articles where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
- M. The shares in the capital shall be numbered progressively accordingly to their several denominations provided, however that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialized may be dematerialized in future or issued in future in dematerialized form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
- N. The Company shall cause to keep a Register and index of Members and a Register and Index of Debenture holders in accordance with Section 151 and 152 of the Act respectively, and the Depositories Act, with details of shares and debentures held in material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.
- O. The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.
- P. (i) Every holder of shares in, or holder of Debentures of the Company may, at any time nominate, in the prescribed manner under Section 109A of The Act, a person to whom his shares, in or Debentures of the Company shall vest in the event of his death.  
(ii) Where the shares in, or Debentures of the Company are held by more than one person, jointly, the joint holders may together nominate, in the prescribed manner under Section 109A of the Act, a person to whom all the shares or Debenture of the Company shall vest in the event of death of all the joint holders.  
(iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of shares in, or debentures of the Company where a nomination made in the prescribed manner under Section

109A of the Act, purports to confer on any person the right to vest the Shares in or Debenture of the Company, the nominees shall, on the death of the Shareholder or holder of Debentures of The Company, or as the case may be, on the death of the joint holders, become entitled to all the rights in the shares or debentures of the Company, or as the case may be, all the joint holders, in relation to such Shares in, or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under Section 109A of the Act.

- (iv) Where the nominee is a minor, it shall be lawful for the holder of the shares, or holder of Debentures, to make the nomination to appoint, in the prescribed manner under Section 109A of the Act, any person to become entitled to Shares in, or Debentures of the Company, in the event of his death, during the minority.

## **VII. CALLS**

27. Subject to the provisions of the Act, the Board may from time to time make such calls on uniform basis as it thinks fit, upon the members in respect of all money unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) held by them and not by conditions of allotments thereof made payable at fixed time and each such member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board. A call may be made payable by installments.
28. The joint holders of shares shall severally as well as jointly be liable for payment of all installments and calls due in respect of such shares.
29. (1) A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed unless the same is expressly made effective on any other date under such resolution.  
  
(2) Not less than 30 days notice of any Call shall be given specifying the place and time of payment and to whom such call shall be paid provided that Board may subject to Section 91 of the Act by notice in writing to a member, revoke the call or extend the time for payment thereof.
30. If by the means of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the amount of the share or by way of premium, every such amount of instalment shall be payable as if it were a call duly made by Board and of which due notice had been given and provisions herein contained in respect of calls for future or otherwise shall relate to such amount or installment accordingly,
31. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due shall pay interest for the same at the rate of 12 percent per annum (or at such other rate as the Board may determine) from the day appointed for the payment thereof to the time of actual payment but the Board shall be at liberty to waive payment of the interest wholly or in part.
32. The Board may receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the money so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate not exceeding 12 percent per annum or as the member paying such sum in advance and the Directors agree upon. Money so paid in excess of the amount

of calls shall not rank for dividends or participate in the profits of the company. Money so paid excess of the amount of calls until appropriated towards satisfaction of any calls shall be treated as advance of the Company and not a part of capital be re-payable at any time if the Directors so decide.

#### **IX. FORFEITURE**

33. If any member fails to pay the whole or any part of any call, or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment or other money remains unpaid serve a notice on such member or on the persons (if any) entitled to the share by transmission, requiring him to pay the same together with any interest that may have accrued and all the expenses that may have been incurred by the Company by reason of such non-payment.
34. The notice shall name a day (not being less than 30 days from the date of notice) and a place on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non payment on or before the time and at the place appointed, the share in respect of which such call was made or installments is payable will be liable to forfeited.
35. If the requirement of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may at any time thereafter, before payments of calls or installment, interest, and expenses due in respect thereof, be forfeited by a resolution of the Board to the effect and the forfeiture shall be recorded in the Directors' minute book. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
36. When any shares shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and entry of the forfeiture with date thereof shall forth-with be made in the register of the members.
37. Any share so forfeited shall be deemed to be the property of the Company and the Directors may sell, reallocate or otherwise dispose of the same in such manner as they think fit. The Board may, at any, at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
38. Any member whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all calls instalments, interest, and expenses owing upon or in respect of such shares at the date of the forfeiture, together with interest thereon from the time of forfeiture until payment at the rate of 12 percent per annum and the Directors may enforce the payment there of, if they think fit.
39. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the, Company in respect of the shares and all other rights incidental to the shares, except only such of those rights as by the Articles are expressly saved.
40. A duly certified declaration in writing that the declarant is a director of the Company and that certain shares in the company have been duly, forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share and such declaration and the receipt of the company for the consideration, if any, given for the shares, on the sale or disposition thereof shall constitute a good title to such shares and, the

persons to whom the shares are sold shall be registered as holder thereof and shall not be bound to see the application of the purchase money, nor, shall his title to such shares be affected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale of disposition.

#### **X. LIEN ON SHARES**

41. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 7 hereof will have full effect. Unless otherwise agreed the registration of a transfer shall operate as a waiver of the Company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provision of this clause.
42. No member shall exercise any voting right 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 exercised any right of lien.
43. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien.

Provided that no sale shall be made

- (a) Unless a sum in respect for which the lien exists is partly payable: or
  - (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the register holder for the time being of the share of the person entitled thereto by reason of his death or insolvency.
44. The net proceeds of any such sale shall be applied in or towards satisfaction of the debts, liabilities of engagements of such member, his executors, administrators or representative and the residue (if any) be paid to the person entitled to the shares at the sale.
  45. Upon any sale after forfeiture or for enforcing lien in purported exercise of the power herein before given the director may cause the purchaser's name to be entered in the register of member in respect of the shares 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 in the register in respect of such shares, invalidity of the sale shall not be impeached by any persons, and the remedy of any person aggrieved by the sale shall be in damages only.

#### **XI. TRANSFER**

46. Save as provided in Section 108 of the Act, no transfer of shares in or debentures of the Company shall be registered unless as proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of or if no such certificate is in existence, the Letter of Allotment of the shares. The instrument of transfer of any shares in or debenture of the Company shall specify, the name, father's husband's name, address, occupation, of the transferee. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the Register of members. Each signature to such transfer shall duly attested by the

signature of the witness who shall add his address and occupation.

47. Application for the registration of the transfer of a share may be made either by the transferor or the transferee. Where such application is made by the transferor and relates to a partly paid share, no registration shall be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act. Subject to the provisions of Articles hereof, if the transferee makes no objection within two weeks from the date of receipt of the notice the Company shall enter in the register of member the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
48. Before registering any transfer tendered for registration the Company may, if it thinks fit, give notice by letter posted in the ordinary course to the registered holder, that such transfer deed has been lodged and that unless objection is made the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within ten days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder the Company shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder or and notice shall not entitle him to make any claim of any kind against the Company or the Board in respect of such non-receipt.
49. Neither the Company nor its Board shall incur any liability for registering or effecting a transfer of shares apparently made by competent parties, although the same may, by reason of any fraud or other cause not known to the Company or its Board, be legally in operative or insufficient to pass the property in the shares or debentures proposed or professed to be transferred and although the transfer may as between the transferor and transferee be set aside and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blanks as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. In every such case the person registered as transferee, his executors, administrators or assigns alone shall be entitled to be recognised as the holder of such share or debenture and the previous holder of such share or debentures shall, so far as the company is concerned, be deemed to have transferred his whole time thereto.
50. Transfer shall not be made to minor or person of unsound mind.
51. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the shares or if no such certificate is in existence, by the Letter of Allotment of the shares to be transferred and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the shares, the transferee shall (subject to the right of the Board to decline to register hereinafter mentioned) be registered as a member in respect of such shares. The Board may waive the production of any certificate upon evidence satisfactory to it of loss or destruction.
52. All instrument of transfer shall be registered shall be retained by the Company but any instrument of transfer which the Board may decline to register shall be returned to the person depositing the same.

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

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

- (a) The instrument of transfer is not accompanied by the certificate of the shares to which it relates, and such other, evidence as the Board may reasonably require to show the right of the transferor;
  - (b) The instrument of transfer is in respect of more than one class of shares;  
or
  - (c) It is for transfer of any share on which the Company has a lien.
54. The registration of transfer may be suspended after giving due notice at such times and for such periods as the Board may from time to time determine.
- Provided that such registration shall not be suspended for more than forty-five days in any year and not exceeding thirty days at any one time.
55. Share in the Company shall be transferred in the form for the time being prescribed under the rules framed under the Companies Act.

## **XII. TRANSMISSION**

56. The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only persons whom the Company shall recognise as having any title to the shares registered in the name of the such member and, in case of the death of any one or more of the joint holder of any registered shares, the survivor 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 joint with any other person. Before recognising any executor or administrator or legal heir the Board may require him to obtain a grant of probate or letter of administration or succession certificate or other legal representation as the case may be, from a competent court.

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

**A. Nomination of Shares :** Every holder of shares in or debentures of the company, may at any time nominate in the prescribed manner, a person to whom his shares in of denentures of the company shall vest in the event of his/her death and such nomination shall be governed by the provisions of Companies Act, 1956 and Rules and Regulation framed thereunder.

"Provided, however, that where a share holder has nominated a person to whom his shares or debentures of the company shall vest in the event of his/her death, the title to the shares / debentures of the deceased holder in such a case shall be governed by the Provision of Companies Act, 1956 and Rules and Regulations framed thereunder."

57. Any person becoming entitled to share in consequence of the death, lunacy or insolvency of member may, upon producing such evidence of his title as the Board thinks sufficient, be registered as a member in respect of such share or may, subject to the regulations as to transfer herein before contained transfer such shares,
58. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation

to meetings of the Company. Provided that the Board may, at any time, give notice requiring any such person to elect, either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

59. If the person so becoming entitled to shares under preceding Articles shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other person he shall execute an instrument of transfer in accordance with provisions of these Articles relating to the transfers of shares. All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid.
60. The Articles providing for transfer and transmission of shares, shall mutatis mutandis apply not to the transfer and transmission of debentures of the Company.

### **XIII. ALTERATION IN CAPITAL**

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

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

### **XIV. STOCKS**

62. The Company in General Meeting may convert any paid up shares into stock and re-convert any stock into paid up shares of any denominations.
63. When any share has been converted into stock the holders of such stock may, henceforth, transfer their respective interest therein or any part of such interest, in the same manner, and subject to the same regulations, as would have applied to the transfer of the shares from which the stock arose or, as near thereto as circumstances would admit. The Board may, from time to time fix the minimum amount of stock transfer-able, and restrict or forbid the transfer of fractions of the minimum but the minimum shall not exceed the nominal amount of the shares from which the stock arose.
64. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation

in the dividend and profits of the company) shall be conferred by any such part of stock as would not, if existing shares, have conferred that privilege or advantage.

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

#### **XV. SHARE WARRANTS**

66. The Company may issue share warrants subject to and in accordance with the provisions of Sections 114 and 115 and accordingly the Board may in its discretion, with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue share warrant.
67. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of the members as 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 two days, written notice, return the deposited share warrant to the depositor.
68. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privilege of a member a meeting of the Company, or be entitled to receive any notice from the Company,
- (2) The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he were named in the register of members as the holder of the shares included in the warrant, and he shall be a member of the Company.
69. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be used by way of renewal in case of defacement, loss or destruction.

#### **XVI. GENERAL MEETINGS**

70. All general meetings other than annual general meetings shall be called extraordinary general meetings.
71. (1) The Board may, whenever it think fit, call an extraordinary general meeting.
- (2) If at any time, there are, not within India, Directors, capable of acting who are sufficient in number to form a quorum, any Director of the Company may call an extraordinary general meeting in the same manner or as nearly as possible, as that in which such a meeting may be called by the Board.

#### **XVII. PROCEEDINGS AT GENERAL MEETINGS**

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

- (2) Save as herein otherwise provided five members present person shall be quorum.
73. The Chairman, if any, of the Board shall preside as chairman at every general meeting of the Company.
74. If there is no such chairman, or if, he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman of the meeting Directors present shall elect one of their members to be the chairman of the meeting.
75. If at any meeting no Director is willing to act as chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of the members to be the chairman of the meeting.
76. (1) The chairman may with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (3) When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting.
- (4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
77. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a second or casting vote.
78. Any business other than, that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

#### **XVIII. VOTES OF MEMBERS**

79. Subject to any rights or restriction for the time being attached to any class or classes of shares.
- (a) On show of hands, every member present in person shall have, one vote and
- (b) On a poll, the voting rights of members shall be as laid down in Section 87.
80. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the joint holders.
- For this purpose seniority shall be determined by the order in which the names stand in the register of members.
81. A number of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may on a poll vote by proxy.
82. No member shall be entitled to vote any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

83. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
- (2) Any such objection made in due time shall be referred to the chairman of the meeting, whose decision be final and conclusive.
84. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
85. An instrument appointing a proxy shall be in the form prescribed in Schedule IX to the Act or a form as near thereto as circumstances admit.
86. A vote given in accordance with the terms of an instrument of proxy shall valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given;
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before commencement of the meeting or adjourned meeting at which the proxy is used.

## **XIX. DIRECTORS**

87. The persons hereinafter named shall be the first Directors of the Company.
1. Shri Nagin Radhakisan Agarawal
  2. Shri Gajendra Nagin Agarawal
  3. Shri Rajendra Nagin Agarawal
  4. Smt.Meena Gajendra Agarawal
88. Unless otherwise determined by the Company in General Meeting number of Directors shall not be less than three and more than twelve including nominee directors.
89. Unless otherwise determined by the Company in General Meeting a Director shall not be required to hold any qualification shares.
90. (1) Remuneration of Directors shall be a fee not exceeding such sum-of Rupees as may be prescribed for the time being as the maximum fee payable by the Central Government being applicable to the Company under the first provision to Section 310 of the Companies Act, 1956 for each Director for each meeting of Board of Directors attended by him and in addition, subject to the Provision of Sections 309 and 314, all the Directors may receive a commission upto three percent (3%) on the net profit of the Company as computed under provisions of the Companies Act, 1956 and such commission shall be divided amongst them equally or as the Directors may determine. The Directors may waive or reduce their fee for any meeting of period.
- (2) Any Director performing extra services or making any special exertion for any of the purposes of the Company or who is a managing or whole time director, may be paid such fixed sum or remuneration either by way of

monthly payment or at a specified percentage of profit or in any other manner as the Company may determine, subject to the provisions, of Section 314 of the Act.

- (3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- (4) In addition to the remuneration payable to the in pursuance of the Articles the Directors may be paid all travelling hotel and other expenses properly incurred by them.
  - (a) In attending and returning from meeting of the Board of Directors or any committee thereof
  - or
  - (b) In connection with business of the Company,

91. The Board may pay all expenses incurred in registering the Company.
92. The Company may exercise the power conferred on it Sections 157 and 158 with regard to keeping of the a foreign register; and the Board may (subject to the provisions of those section) make and vary such regulations as it may think, respecting the keeping of any such register.
93. All cheques, promissory notes, drafts, hundis, bills of exchange and other ne gotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted endorsed or otherwise executed, as the case may be, by the Managing Director or by such person and in such manner as the Company in General Meeting or the Board shall from time to time determine by resolution.
94. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
95. (1) The Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these articles.
  - (2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.
96. (1) The Board of the Directors shall also have power to fill a casual vacancy in the Board. Director so appointed shall hold office only so long as the vacating Director would have hold the same if no vacancy had occurred.
  - (2) The Board may appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to notice of meeting and to attend and vote there at accordingly; but he shall "ipso fact" vacate office, if and when the absent Director returns to the State in which meetings of the Board are ordinarily held or the absent Director vacates as a Director.
97. Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), the Industrial Credit and Investment Corporation of India Limited (ICICI), Life Insurance Corporation of India (LIC), Gujarat Industrial Investment Corporation Limited (GIIC), and Gujarat State Financial Corporation (GSFC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or body or any Bank out of any

loans granted by them to Company or so long as IDBI, IFCI, ICICI, LIC, GIIC, GSFC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any Financing Company or Body or any Bank is hereinafter in this Article referred to as "The Corporation", continued to 'hold debentures in the company by direct subscription or so long as any liability of the company arising out of guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons or persons as a Director or Directors (hereinafter referred to "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the nominee Director/s. At the options 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 subject to aforesaid provision 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 money remained owing by the Company to the Corporation or so long as the Corporation holds debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or liability of the company arising out of any guarantee is outstanding and the Nominee Directors/ so appointed in exercise of the said power shall ipso fact vacate such office immediately the money owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings or the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, moneys, or remuneration in any other form is pay-able to the Directors of the Company the fees commission, moneys, remuneration in relation to such nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Directors 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 to the Corporation.

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

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 Lenders and have such rights as are usually exercised or available to whole time Director in the management of the affairs of the Borrower. Such Director/s shall be entitled to receive any remuneration, fees, commission and monies as may be approved by the Lenders".

## XX. PROCEEDING OF BOARD

98. (1) The Board of Directors may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, subject to the provisions of Section 285 of the Companies Act, 1956.
- (2) A Director may, and Manager or Secretary on the requisition of a Director shall at any time, summon a meeting of the Board.
99. (1) Save as otherwise expressly provided in the Act, Questions arising at any meeting of the Board shall be decided by a majority of votes.
- (2) In case of an equality of votes, the Chairman of the meeting shall have a second or castin vote.
- (3) The quorum of the Board meeting shall be 2 (two) Director's or 1/3rd of the total strength of directors whichever is higher,
100. The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a general meeting of the Company but for no other purpose.
101. (1) The Board may elect a Chairman of its meetings and determine the period for which he is to hold office,
- (2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be chairman of the meeting.
102. (1) The Board may subject to the provisions of the Act, delegate any of its powers to a committee consisting of such member or members of its body as it thinks fit.
- (2) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
103. (1) A committee may elect a Chairman of its meetings.
- (2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.
104. (1) A committee may meet and adjourn as it thinks proper,
- (2) Questions arising at' any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairman shall have a second or casting vote.
105. All acts done by any meeting of the Board of a committee thereof or by any person acting as a Director, shall notwithstanding that it may afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, he as valid as if every such director or such person had been duly appointed and was qualified to be a Director.

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

#### **XXI. POWERS OF DIRECTORS**

Subject to provisions of the Act the control of the company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized 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 the company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting and no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

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

#### **XXII. BORROWING POWERS**

109. (1) The Board may from time to time at its discretion, subject to the provisions of the act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company.
- (2) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds perpetual or redeemable debenture or debenture stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the company (both present and future) including its uncalled capital for the time being.
110. If any uncalled capital of the Company is included in or charged by the mortgage or other security the Board may instrument under the Company's seal authorize the person in whose favour such mortgage or security is executed or any other person in trust for him to collect money in respect of calls made by the Board of Directors in respect of such uncalled capital and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls made under such authority; and such authority may be made exercisable either conditionally or unconditionally, either presently or contingently and either to the exclusion of the Director's powers or otherwise and shall be assignable if expressed to be so.
111. Debentures, debenture-stock, bonds and other securities may be made assignable, free from any equities, between the Company and the persons to whom the same may be issued.

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

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

113. Subject to the provisions of the Companies Act, 1956 the Directors may, at any time, appoint one or more Directors as Managing Director or Whole time Director on such remuneration, terms and conditions as may be decided by Directors. A wholetime Director or Managing Director shall not be liable to retire by rotation.
114. Subject to the provisions of the Act a Manager' or Secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may fit, and Manager or Secretary so appointed may be removed by the Board.
115. A Director may be appointed as Manager or Secretary, subject to the provisions of Section 314 and 383A and rules made there under.
116. A provision of the Act or these Articles requiring or authorising a thing to be done by a director and the Manager or Secretary shall not be satisfied by its being done by the same person acting both as Director and as, or in place of the Manager or Secretary.

### **XXIV. THE SEAL**

117. (1) The board provide for the safe custody of the seal.
  - (2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director and Secretary or such other person as the Board may appoint for the purpose; and the Director or Secretary or other person aforesaid shall sign on every instrument to which the seal of the Company is so affixed in his presence.
  - (3) The Company may exercise the powers conferred by Section 50 with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

### **XXV. DIVIDENDS AND RESERVES**

118. The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
119. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
120. (1) The Board may, before recommending any dividend set aside over the profits of the company such sum as it thinks proper as a reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provisions for meeting contingencies or for equalising dividends, and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than share in the Company) as the Board may, from time to time, think fit, subject to the provisions of the Act.

- (2) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
- 121.(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the company dividends may declared and paid according to the nominal amounts of the shares.
- (2) No amount paid or credited as paid on a shares in advance of calls shall be treated for the purposes of this Article as paid on the share.
- (3) Unless otherwise decided by the Board all dividends shall be appointed and paid proportionately to the amounts paid or credited as paid on the shares during and portion or portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from particular date such share shall rank for dividend accordingly.
122. The Board may deduct from any dividend payable to any members all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares in the Company.
123. All dividends, unclaimed should be deposited according to the provisions of the Act.
- 124.(1) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant send through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that on the joint, holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct.
- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
125. Any one of two or more joint holders of share may give effectual recipes for any dividend; bonuses or other moneys payable in respect of such share.
126. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act,
127. No unclaimed or unpaid dividend shall be forfeited by the board and the Company shall comply with all the provisions of Section 205-A of the Act in respect of any unclaimed or unpaid dividend.

## **XXVI. ACCOUNTS**

128. (1) The Board shall from time to time determine whether and to what extent and at what times and place and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open for the inspection of members not being Directors.
- (2) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

## XXVII. CAPITALISATION OF PROFITS

129. (1) The Company in general meeting may, upon the recommendation of the Board, resolve,
- (a) That it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account or otherwise available for distribution and
  - (b) that such sum be accordingly set free for distribution in the manner specified in sub-clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same Proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in sub-clause (3) either in or towards -
- (i) paying up any amounts for the time being unpaid on any share held by such members respectively; or
  - (ii) paying up in full unissued shares of a Company to be allotted and distributed credited as fully paid up, to and amongst such members in the proportions aforesaid; or
  - (iii) paying up partly in the way specified sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A share premium account and a capital redemption reserve fund may, for the purpose of these Articles, be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
130. (1) Whenever such a resolution as aforesaid shall have been passed the Board shall.
- (a) make all appropriations and applications of the undivided Profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares; and
  - (b) generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power;
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fraction; and also
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the 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 under such authority shall be effective and binding on all such members.

## **XXVIII. WINDING UP**

131. (1) If the company shall *be* wound up, the liquidator may with the sanction of a special resolution of the company and any other sanction required by the act, divide amongst the members, 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 or different classes of members.
- (3) The liquidator with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **XXIX. MEMBERS**

132. Every person who is a subscriber to the Memorandum and Articles and/or who intends to be or becomes a member of the company shall, subject to the provisions of any law in force, be bound by the provisions of the Memorandum and Articles of the company and any matter of dispute arising between the company and any such person as regards mutual rights, obligations or otherwise shall be subject to the jurisdiction over the registered office of the company in respect to the disputed matter.

## **XXX. INDEMNITY**

133. Every officer or agent for the time being of the Company shall be indemnified Out of the assets of the Company against any liability incurred by him in defending any 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 in which relief is granted to him by the court,

## **XXXI. SECRECY**

134. Subject to the provisions of these Articles and the Act, no member shall be entitled to inspect the Company's Books without permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, will not be expedient in the interest of the members of the Company to communicate to the public.

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

Sr. No.	Name, Address, Descriptions, Occupations and Signature of the Subscribers	Number of Equity Shares Taken by each Subscriber	Name, Address Description and Occupation of the Common Witness
1.	<b>Nagin Radhakishran Agarwal</b> Son of Radhakishan Agarwal Atul Society Vapi. Business Sd/-	1 (One)	Common Witness for all  <b>Surendra N. Shah</b> Son of Nemchand Shah 403, Hemkoot, Opp. B.M. Institute, Ashram Road, Ahmedabad-380009. Chartered Accountants Sd/-
2.	<b>Rameshchandra Vana Rane</b> Son of Vana Rane Darshana Appartment, Vapi Service Sd/-	1 (One)	
3.	<b>P.K. Balakrishna Pillai</b> Son of G. Narayana Pillai R.B.L. 53/632, Chanod Housing Colony, Vapi-396-195. Services Sd/-	1 (One)	
4.	<b>Jagannath V. Patel</b> Son of Vishwanath Patel C/27/448, G.I.D.C., Vapi Service Sd/-	1 (One)	
5.	<b>Bhart M. Naik</b> Son of Mohanbhai Naik Amardeep 1 <sup>st</sup> Floor, Udwada Rs. Service Sd/-	1 (One)	
6.	<b>M. N. Antony</b> Son of M.P. Devassy RBL/44-526, Chanod Housing Colony, Vapi-396 195, Service Sd/-	1 (One)	
7.	<b>M.A. Sheikh</b> Son of M.S.B. Sheikh GHB Block No-12 Room No.- 271/272, G.I.D.C., Vapi Service Sd/-	1 (One)	
	<b>Total</b>	7 <b>(Seven)</b>	

Place: Vapi

Dated this 20<sup>th</sup> day of November, 1993

