

THE COMPANIES ACT, 1956

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF

SARNIMAL INVESTMENT LIMITED

PRELIMINARY

- 1 Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act

The marginal notes hereto shall not effect the construction hereof and in these presents, unless there is something in the subject or context inconsistent herewith

"The Act" means the Companies ACT, 1956

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

"The Company" means SARNIMAL INVESTMENT LIMITED.

"The Directors" means the Directors of the company for the time being

"The Office" means the Register of Members to be kept pursuant to Section 150 of the Act

"Seal" means the Common Seal of the Company.

"Share" means equity share as well as preference share

Words importing the singular number only include the plural number and vice versa

Words importing the masculine gender only include the feminine gender.

Words importing persons include corporations

2. Save as provided herein, the regulations contained in table "A" in schedule I to the Act shall not apply to the Company

CAPITAL AND SHARES

- 3 (a) The authorized share capital of the Company is such as stated in Clause V of the Memorandum of Association of the Company or altered thereat, from time to time. The Company has the power to sub-divide, consolidate, increase or reduce its share capital from time to time. Any of the said shares and new shares hereafter to be created, from time to time, be divided into ~~shares~~ of several classes in such manner as may be provided hereinafter.

For Sarnimal Investment Limited

[Signature]
Director

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reduce the same in accordance with the provision of the Act.

- 3 (b) Subject to the provisions of these Articles and of the section 81 of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on fit terms and conditions and at such time as the Directors think fit. Provided that the option or right to call on shares shall not be given to any person except with the sanction of the Company in General Meeting.
4. The Company may, subject to the compliance with the provisions of section 76 of the Act, exercise the power of paying commission.
5. The Company may pay on the issue of shares or debentures such brokerage as may be lawful.
6. With the previous authority of the Company in General Meeting and complying with section 79 of the Act the Directors may issue at a Discount shares of a class already issued.
7. Subject to the provisions of the section 80 of the Act of the Company may issue Preference Shares which are, or at the option of the Company are liable to be redeemed or not to be redeemed on such terms and in such manner as the Company may determine .
8. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, every such instalments shall, when due, be paid to the Company by the person who for the time being shall be the member registered in respect of the share or by his executor or administrator.
9. Members who are registered jointly in respect of a share shall be severally as well as jointly liable for the payment of all instalments and cells due in respect of such share.
10. Save as herein otherwise provided, the Company shall be entitled to treat the member registered in respect of any share as the absolute owner thereof and accordingly shall of, except as ordered by a Court of competent jurisdiction or as required u/s 187C of the act, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.

CERTIFICATES

11. The certificate to title of share and duplicate thereof when necessary shall be issued under the Seal of the Company in accordance with the provisions of Section 84 of the Act and the Rules prescribed by the Central Government for the said purposes as in from time to time.
12. Every member shall be entitled to one Certificate for all the shares registered in his name, or, if the Directors so approve to several certificates each for one or more of such shares.
13. The certificate of shares registered in the name of two or more persons shall be delivered to the persons first named on the Register.

CALLS

14. The directors may from time to time, subject to the terms on which any shares may have been issued, and subject to section 91 of the Act, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof

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made payable at fixed times, and each member shall pay the amount of every call so made on him to the person and at the time and place fixed by the directors. A call may be made payable by instalments, and shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

15. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made for the instalment shall be due, shall pay interest for the same from the day appointed for the payment thereof to the time of the actual payment at such rate as the Directors may determine. The Directors shall be at liberty to waive payment of any such interest wholly or in part.
16. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in respect of call shall relate to such amount or instalment accordingly.
17. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any share holder or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of the Company as a holder, or one of the holders, of the shares in respect of which such claim is made, and the amount claimed is not entered as paid in the books of Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the meeting at which any call nor that the quorum at which any call was made was duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
18. The Directors may, if they think fit, 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 share in respect of which such advance has been made, the company may pay interest at such rate as the Directors think fit. Money so paid in excess of the amount of call shall not rank for dividends or participate in profits. The Directors may at any time repay the amount so advanced.
19. A call may be revoked or postponed at the discretion of the Directors.

FORFEITURE, SURRENDER AND LIEN

20. If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any extension thereof as aforesaid, the Directors may at any time thereafter during such time as the call or instalment remains unpaid or decree remains unsatisfied serve a notice on such member, or on the person (if any) entitled to share by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remains unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the company by reason of such non payment.
21. If the requisitions of any such notice shall not be complied with every or any share in respect of which the notice is given, may at any time thereafter before payment of all calls or Instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture

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shall include divided declared in respect of the forfeited shares and not actually paid before the forfeiture.

22. When any share is declared to be forfeited, notice of forfeiture shall be given to the member in whose name it stood immediately prior to forfeiture and entry of the forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
23. Every share so forfeited as aforesaid shall thereupon be the property of the Company and may be sold, reallocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.
24. The Directors may 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 they may think fit.
25. Any member whose shares may be forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls and other money owing upon the shares at the time of the forfeiture together with interest there on from the time of the forfeiture, until payment, at such rate as directors may decide, and the Directors may enforce the payment thereof if they think fit, but shall not be under any obligation to do so.
26. The Company may receive the consideration, if any, given for the share on any sale or other disposition thereof and the person to whom such share is sold or disposed of may be registered as the holder of the share, and he shall not be bound to see the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale, or other disposal of the same.
27. The directors may at any time, subject to the provisions of the Act, accept the surrender of any share from or by member desirous of surrendering on such terms as the directors may think fit.
28. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member whether solely or jointly with others and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created. Any such lien shall extend to all dividends and bonus from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's if any, on such shares.

TRANSFER AND TRANSMISSION OF SHARES

29. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies Act and of any statutory modification thereof for the time being, shall be duly complied with, in respect of all transfer of shares and the registration thereof.
30. The Company shall have power to keep register of foreign members of debenture holders in any country or State outside India as may be decided by the Board from time to time. If any shares are to be entered in any such register, the instrument of transfer shall be in a form recognised under the law of such country or state or in such form as may be approved by the Board.
31. Subject to the provisions of Section 111 of the Act or any statutory modification of the said provisions for the time being in force, the Directors may at their own absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares and in particular may so decline in any case in which the Company has lien upon the shares or any of them or whilst any

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moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transfer is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval of the Directors to the transfer. Registration of a transfer shall not be refused on the ground of the transfer or being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except a lien on shares.

32. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company within two months from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, shall send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or any statutory modification of the provisions for the time being in force shall apply.
33. The instruments of transfer shall (after registration) be retained by the Company and shall remain in its custody. Such instruments of transfer may be destroyed by the Company at the sole discretion of the directors.
34. The Directors shall have power, on giving not less than seven days' previous notice by advertisements as required by section 154 of the Act, to close the Register of members and debenture holders of the Company in the manner provided under section 154 of the Act.
35. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title, as the Board may think sufficient and upon giving such indemnity as the Directors may require either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by execution, to his nominee of instrument of transfer of the shares in accordance with the provisions herein contained, and until he does so, he shall not be free from any liability in respect of the share. This clause is herein referred to "The Transmission Clause".
36. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
37. Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified, or until or unless an indemnity be given to the company with regard to such registration which the Board at his discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Board to accept any indemnity.
38. The Company will not make any charge for :
 - (i) registration of transfers of its shares and debentures.
 - (ii) subdivision and consolidation of shares and debenture certificates and for subdivision of letters of Allotment and split, consolidation of Renewal and Pucca Transfer Receipts into denominations corresponding to the market units of trading.

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- (iii) Sub-division of renounceable letters of Right.
 - (iv) Issue of new certificate in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfer have been fully utilised.
 - (v) Registration of any power of attorney, probate, letters of administration or similar other documents.
39. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title, or interest to or in the same shares notwithstanding that the Company have had notice of such equitable right title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the company and the company shall not be bound or required to regard or attend or give effect to notice which may be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and given effect thereto if the Directors shall so think fit.

INCREASE, REDUCTION AND ALTERATION IN AUTHORISED ISSUED AND SUBSCRIBED CAPITAL

40. The Company may from time to time in general meeting by an ordinary resolution alter the conditions of its memorandum by increase of authorised share capital by creation of new shares of such amount as it thinks expedient.
41. Except so far as may be otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.
41. The Company may (subject to the provision of Sections 100 to 105 of the Act) from time to time by special Resolution reduce its share capital Redemption Reserve Account or Share Premium Account in any way authorised by law and in particular may pay of any paid up share capital upon the footing that it may be called up again, or otherwise, and may, if and as far as is necessary alter its memorandum by reducing the amount of its share capital and of its shares accordingly.
43. The Company may in general meeting alter the condition of memorandum as follows :
- (a) Consolidate and divide all or any of its share capital into share of larger amount than its existing shares.
 - (b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, subject nevertheless to the provision of the Act and of these Articles.
 - (c) Cancel shares, which at the date of the passing of the resolution in that behalf have not been taken on agreed to be taken by any person and diminish the amount of its share capital by the amount fo the share so cancelled.

JOINT HOLDER

44. Where two or more persons are registered as the holders of any shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles :
- (a) On the death of any such joint holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title or interest in the share but the Directors may require such evidence of death as they deem fit and nothing herein contained and be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
 - (b) Any one of the joint holders may give effectual receipt of any dividends or other moneys payable in respect of such shares.
 - (c) Only the person whose name stands first in Register as one of the joint holder of any share, shall be entitled to delivery of the certificate relating to such shares or to receive documents (which expression shall be deemed to include all documents referred to in Articles 110 from the Company and documents served on or sent to such person shall be deemed as good service on all the joint holders.
 - (d) Any one of two or more joint holders may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy then one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders present at any meeting personally shall be entitled to vote in preference to a joint holders present by proxy and stands first or higher (as the case may be) in the Register in respect of such shares. Several executors or administrators of deceased member in whose (deceased member's) sole name any share stands shall for the purpose of this subclause be deemed joint holders.
45. Subject to the provisions of the Act and these Articles and without prejudice to the other Powers conferred by these Articles, the Directors shall have the power from time to time at their descretion to accept deposits from members of the company either in advance of calls or otherwise and generally to raise or borrow or secure the payment of any sum of money for the purposes of the Company, provided that the aggregate of the amount borrowed (apart from temporary loans as defined in Section 293 of the Act obtained from the Company's bankers in the ordinary course of business) and remaining outstanding and undischarged at that time, shall not without the consent of the Company in general meeting, exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose.
46. Subject to the provisions of the Act and these Articles, the Boards may raise and secure the payment or 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 debentures, debenture stock or any mortgage or charge or other security on the whole or any part of the property of the company (both present and future) including its uncalled capital for the time being.
47. Any bonds, stocks or other security issued or to be issued by the Company shall be under the control of the Directors who may issue upon such terms and conditions and in such manner and for such considerations as they shall consider to be for the benefit of the Company.

48. Any bonds, debentures, debenture stock, or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawing allotment of shares, attending and voting at general meetings provided that debentures with the right of conversion into shares shall not be issued except in conformity with the provisions of section 81(3) of the Act. 57.
49. Subject to the provision of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability as surety for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part fo the assets of the company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability. 58.
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50. If any uncalled capital of the company is included or charged by any mortgage or other security, the Directors shall subject to the provisions of the Act, and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. 60.

GENERAL MEETING 61.

51. Subject to the provisions of the Act, the Company shall hold from time to time as provided by the Act in addition to any other meetings a general meeting as its Annual General Meeting. The provisions of Section 166 of the Act shall apply to such Annual General Meetings.
52. Subject to the provisions of the Act, the Board of directors may whenever it thinks fit, call an Extra-Ordinary General Meeting of the Company other than an Annual General Meeting. 62.

PROCEEDINGS AT A GENERAL MEETING 63.

53. Five members entitled to vote and present in person shall form quorum for a General Meeting. No business shall be transacted at any General Meeting unless the quorum requisite be present at the Commencement of a business.
54. If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting if called upon the requisition of members, shall stand dissolved. In any other case the meeting shall stand adjourned to the same day in the next week (not being a holiday) at the same time and place or to such other day and at such other time and place as the Board may determine. If at any adjourned meeting also a quorum is not present within half an hour of the time appointed for holding the meeting, the members present, whatever their number (not being less than two) shall be quorum and shall have power to decide upon all the matters which could properly have been disposed of at the meeting from which the adjournment took place.
55. Any one of the Directors present, shall be elected to be chairman of a General Meeting by the members present at the meeting. 64.
56. If at any General Meeting a quorum of members shall be present and the Chair shall not be taken by a Director at the expiration of half an hour from the time appointed for holding the meeting or if before expiration of half an hour from the time appointed for holding the Meeting all the directors decline to take chair, the members present shall on a show of hands coose one of their own number to be the Chairman of the meeting. 65.

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57. The Chairman may with the consent of any meeting at which quorum is present and shall if so directed by the meeting adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at meeting from which the adjournment took place.
58. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of original meeting. Save as aforesaid it shall not be necessary to give any notice of adjournment of the business to be transacted at adjourned meeting.
59. In case of equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting, shall be entitled to a casting vote in addition to his own or votes to which he may be entitled as member.
60. The Board shall cause minutes of all proceedings of every general meeting and of all proceedings of every meeting of its Board of Directors or of every committee of the Board to be kept in accordance with section 193 of the Act.
61. The books containing the minutes of all proceedings of general meeting of the Company shall be kept at the office of the Company and be open to the inspection of any members as prescribed by Section 196 of the Act.

VOTE OF MEMBERS

62. Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy or in the case of a body corporate also by a representative duly authorised under section 187 of the Act and Articles 64 hereof.
63. Subject to the provisions of the Act (and particularly of Sections 87, 89 and 92(2) thereof) and of these Articles :-
 - (1) Upon a show of hands every member holding equity shares and entitled to vote and present in person (including as attorney or a representative of a body corporate as mentioned in article 87) shall have one vote.
 - (2) Upon a poll the voting right of every member holding equity shares and entitled to vote and present in person (including a body corporate present as aforesaid) or by proxy shall be in proportion to his share in the paid-up equity capital of the Company.
 - (3) The voting right of every member holding preference shares, if any shall upon a show of hands or upon a poll be subjected to the provisions Limitations and restrictions laid down in section 87 of the Act.
64. No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by attorney or by representative duly authorised under section 187 of the Act in which case such attorney or representative may vote on show of hands as if he were an individual member of the Company.
65. Subject to the provisions of the Act, no member shall be entitled to 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, and has exercised any right or lien.

66. Any person entitled under the Transmission clause (Article 36 hereof) to transfer any shares, may vote at any meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting as the case may be, which he proposes to vote he shall satisfy the Board of his right to transfer such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
67. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to votes for him as the case may be need not, if he votes, use all his votes or cast them the same way all the votes he uses.
68. The instruments 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 office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
69. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous insanity or lunacy or death of the principal or revocation of the proxy or any power of attorney as the case may be, under which such proxy was signed, or the transfer of share in respect of which the vote is given provided that no intimation in writing of the insanity lunacy, death, revocation or transfer shall have been received at the office before the meeting.
70. Subject to the provisions of the Act and these Articles no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll shall be deemed valid for all purposes of meeting or poll whatsoever.
71. Unless otherwise determined by a General meeting the number of Directors shall not be less than three and not more than eleven.
72. The following are the first directors of the Company :-
Mrs. Kanak Jain
Mr. B P. Jain
Mr. P.K. Jain
73. The Board may appoint an alternate director duly recommended for such appointment by a Director (herein-after called the 'Original Director') to act for him during his absence for a period of not less than three months from the State in which the meeting of the Board are ordinarily held. An alternate Director appointed under this article shall not hold office as such for a longer period than that permissible to the original director in whose place he has been appointed and shall vacate office if and when the original directorship is determined before he so returns to the said State. Any provision in the Act or these Articles for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original director and not to the alternate director.
74. The Board shall have power from time to time and at any time to appoint any person as the Director as an addition to the board but so that the total number of directors shall not at any time exceed the maximum number fixed by these articles. Any director so appointed shall hold office only upto the next annual general meeting of the Company and shall then be eligible for reappointment.
75. Subject to the provision of Section 284 (6) and other applicable provisions (if any) of the Act, if the office of a director appointed by the Company is vacated before his term of office will expire in the normal course, the resulting casual vacancy may, in default of and subject to any regulation contained in these articles be filled by the Board of Directors upto the date upto which the Director in

whose place he is appointed would have held office if it had not been vacated as aforesaid.

76. A Director shall not be required to hold any qualification shares and a person may be appointed as a director notwithstanding that he holds no share in the company.
77. Each Director may be paid out of the funds of the Company by way of sitting fee a sum which the Directors may fix, but not exceeding Rs. 250/- per meeting of the Board of Directors attended by him.
78. If any director, being willing, shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company or in giving special attention to the business of the company or as a member of a committee of the directors, then subject to the provision of Act, the Directors may remunerate the director so doing either by a fixed percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.
79. The office of a director shall become vacant in accordance with provisions of section 283 of the Act.
80. Subject to the provisions of the Act a director may resign his office at any time by notice in writing addressed to the company or to the Board of directors.

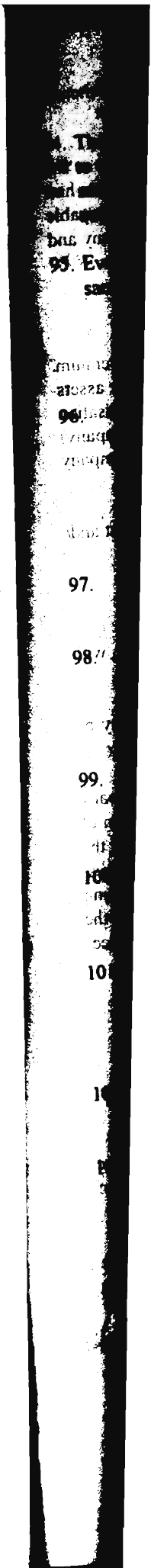
PROCEEDING OF DIRECTORS

81. The Directors shall meet together at least once in every three months and at least four such meetings shall be held in every year.
82. Quorum shall be one-third of their total number (any fraction in such one-third being rounded off as one) or two directors, whichever is higher subject however to section 287 of the Act.
83. If a meeting of the Board cannot be held for want of a quorum, then meeting shall stand adjourned to such day, time and place as the director or directors present at that time may fix. Notice of the adjournment of the meeting shall be given to all the directors in the manner prescribed under article III.
84. The Directors may from time to time elect one of their members to be the chairman of the board of directors and determine the period for which he is to hold office.
85. All meetings of the directors shall be presided over by the chairman, if present, but if at any meeting of the Directors the chairman is not present at the time appointed for holding the same, the directors shall choose one of the directors then present to preside at the meeting.
86. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the chairman of the meeting (whether the chairman appointed by virtue of these articles or the director presiding at such meeting) shall have a second or casting vote.
87. Subject to the provisions of Section 292 and 293 of the Act, the Directors may delegate any of their powers to committees consisting of any such member or members of their body as they think fit, and they may from time to time revoke and discharge any such committee either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of powers so delegated, conform to any regulations that may from time to time be imposed on it by the directors. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the board. The board may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the board in terms of these articles, and may pay the same.

- 88. The meeting and proceeding of any such committee shall be governed by the provisions herein and/or in the Act contained for regulating the meeting and proceeding of directors so far as the same are applicable thereto, and are not superseded by any regulation made by the directors under the last proceeding article.
- 89. Subject to the provisions of Section 289 of the Act, resolutions passed by circulation without a meeting of the Board or of a committee of the board appointed under article 87 shall be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a committee duly called and held.
- 90. Subject to the provisions of the Act, and these articles all acts done by any meeting of the directors or a committee of directors or any person acting as a director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such directors or persons acting as aforesaid or that they or any of these were or was disqualified be as valid if every such person has been duly appointed and was qualified to be director.

POWERS OF THE BOARD OF DIRECTORS

- 91. (i) Subject to the provisions of the Act the Board shall be entitled to exercise all such powers, and to do in furtherance of its objects, specified in the Memorandum of Association for which the Company is established, except such powers are required by the Act or the memorandum or articles or association of the Company to be exercised or done by the Company in general meeting. In exercising any such powers or doing any such acts or things, the board shall be subject to the provisions contained in that behalf in the Memorandum or Articles of the Company or in any regulations not inconsistent therewith and duly made thereunder, including regulation made by the Company in general meeting.
- (ii) No regulation made by the Company in general meeting shall invalidate any prior act of the board which would have been valid if that regulation had not been made.
- 92. Subject to the provisions of section 197A and other applicable provisions of the Act the Company may appoint or re-appoint whole-time director and manager upon such terms and conditions as it thinks fit.
- 93. (a) Subject to Section 269 of the Act, the Board may from time to time appoint one or more of their body to be managing director or managing directors of the Company, and may, from time to time, remove him from office, and appoint another in his place but his appointment shall be subject to determination ipso facto if he ceases from any cause to be a director of the Company.
- (b) The board may from time to time entrust to and confer upon a Managing Director for the time being, such of the powers exercisable under these present by the directors as it may think fit, and may confer such powers from such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions, as it thinks expedient, and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- (c) The remuneration of a managing director shall be such as may from time to time be fixed by the board subject to the provisions of the Act.
- (d) The Managing director shall not be while he continues to hold that office be subjected to retirement by rotation and he shall not be reckoned as a director for the purpose of determining the retirement of director or in fixing the number of directors to retire, subject to the provisions of any contract between him and the company. He shall, however, be subjected to the same provisions as to resignation and removal as the other directors of the company and he shall ipso facto and immediately ceases to be a managing director, if he ceases to hold the office of the director from any cause.



THE SEAL

94. The Board shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the board shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by or under the authority of the Board or a committee or directors.
95. Every deed or other instrument to which the seal of the company is required to be affixed, shall unless the same is executed by a duly constituted attorney of the company. be signed by any of the directors.

DIVIDENDS

96. The profits of the Company, subject to special rights if any relating thereto created or authorised to be created by the Memorandum or these articles, and subject to the provisions of these articles shall be divisible among the members in proportion to the amount of capital paid upon the shares held by them respectively Provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared shall unless the Board otherwise determine only entitle the holder of such share to an appointed amount of such dividend as from the date of payment.
97. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.
98. The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and subject to the provision of the act, may fix the time for payment. When a dividend has been so declared the warrant in respect thereof shall be posted within fortytwo days from the date of declaration to the shareholders entitled to the payment of the same.
99. Subject to the provisions of the Act and the particular section 205 thereof, no dividend shall be payable except out of the profit of the year or any other undistributed profits of the company and the declaration of the directors as to the amount of the net profits as the company shall be conclusive.
100. Subject to the provisions of the Act, the Directors may from time to time pay to the members on account of the next forthcoming year such interim dividends as in their judgment the position of the company justifies.
101. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any moneys may be due or owing from him to the company in respect of such shares either along or jointly with any other person or persons and the directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the company.
102. All unpaid dividend shall be transferred to special dividend account as required under Section 205A of the Act.
103. Unless otherwise directed by any member any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders to the one of them first named in register of Members in respect of the joint holders to such person and to such address as the member or joint holder may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, the Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person

entitled thereto, by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

104. Any general meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so the call made earlier on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and that the call be made payable at the same time as the dividend, and that the dividend may, if so arranged between the company and the members, be set off against the calls.

CAPITALISATION

105. (1) Any General Meeting may resolve that any amount standing to the credit of the share premium Account or the Capital Redemption reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the general reserve, or any reserve fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalised.

Any such amount (excepting the amount standing to the credit of the Share Premium Account and/ or the Capital Redemption Reserve Account may be capitalised :

- (a) by the issue and distribution as fully paid bonds or other obligations of the Company or
- (b) by crediting the shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

Provided that any Share Premium Account and Capital Redemption Reserve Account may be applied in accordance with the provision of the Act only.

- (2) Subject to provision of the Act and these Articles, in case whether some of the shares in the company are fully paid and others are partly paid only, such capitalisation may be effected by distribution of further shares in respect fo the fully paid shares, and/or by crediting the partly paid shares with the whole or part or the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sum so applied in payment of such further shares and in the extinguishing or diminution of the liability on the partly paid shares shall be applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully, paid and partly paid shares respectively.

ACCOUNTS

106. The Company shall keep proper books of accounts as required by the Act and in particular under section 209 thereof.
107. The Board of Directors shall lay before each Annual General Meeting a duly authenticated balance Sheet and Profit and Loss Account alongwith its report made up in accordance with the provisions of the Act.
108. (1) Save as provided by sub-clause, (2) every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by not less than two Directors of the

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Company, one of the whom shall be the Managing Director, if there is or are any and its secretary, if any.

- (2) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to Auditors for their report thereon.
109. The Profit and Loss Account shall be annexed to the Balance Sheet and Author's Report (including the Auditors' separate, Special or supplementary report, if any) shall be attached thereto.
110. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by a general meeting shall be conclusive.

AUDIT

111. Every balance Sheet and Profit and Loss Account shall be audited by one or more auditors to be appointed in accordance with the provisions of the Act.

DOCUMENTS AND SERVICE OF DOCUMENTS

112. A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process order, judgment or any other document in relation to or in the winding up of the company) may be served or sent by the company on or to any member in the manner prescribed by section 53 of the Act.
113. Every person, who by operation of law, transfer or by others means whatsoever, shall become entitled to any shares shall be bound by every document in respect of such shares which previously to his name and address being entered on the register shall have been duly served on or sent to the person from whom he derived his title to such shares.
114. All notice to be given on the part of members shall be left at or sent by register post or under certificate of posting to the registered office of the company.
115. Any notice to be given by the company shall be signed by such director or secretary or officer as the board may appoint. The signature or any notice to be given by the company may be written or printed or lithographed or be affixed by any other mechanical means.

AUTHENTICATION OF DOCUMENT

116. Save as otherwise expressly provided in the Act or these articles a document or proceeding requiring authentication by the company may be signed by a director, or secretary or an authorised officer of the company and need not be under its seal.

WINDING UP

117. If the company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up (other than the amount of calls paid in advance), at the commencement of the winding up, on the shares held up them respectively, and if in a winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up or which ought to have been paid on the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
118. (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 fo 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 may, 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, thinks fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

SECRECY CLAUSE

119. No member shall be entitled to visit or inspect the Company's works without the permission of the Board or Secretary or to require discovery of or any information respecting any information respecting any detail of the company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the company and which in the opinion of the Board it will be inexpedient in the interest of the members of the company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

- 120 (a) Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary, and other officer or employee of the compnay shall be indemnified by the company and it shall be duty of directors to pay out of funds of the company all costs, losses and expenses (including travelling expenses) which any such director, manager, secretary or officer or employee may incur or become liable to pay by reason of any contract entered into or act or deed done by him as such director, manager, secretary or officer or employee or in any way in the discharge of the duties.
- (b) Subject as aforesaid every director, manager, secretary or other officer or employee of the company shall be indemnified against any liability incurred by them or him in defending any proceeding whether civil or criminal in which judgment is given in their or his favour or in which he is

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acquitted or discharged or in connection with any application under section 633 of the Act in which relief is given to him by the court.

- 121 Subject to the provision of section 201 of the Act, no director or other officer of the company shall be liable for the acts, receipts, neglect or default of any other director or officer or for joining in any receipts or other act for the sake of conformity, or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the directors for or on behalf of the company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested, or for any loss of damage arising from the bankruptcy, insolvency or tortuous act of any person, company, body, corporate or corporation with whom any money securities or effects shall be entrusted or deposited, or for any other loss or damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through wilful misconduct or neglect or dishonesty.

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

Names, Addresses, Descriptions and Occupations of Subscribers	Number of Equity Shares taken by each Subscriber	Names, Addresses, Descriptions and Occupations of witness
Mrs. Kanak Jain W/o Shri B. P. Jain, M-57, Greater Kailash I, New Delhi (House Wife)	10	Sd/- Subodh Kumar Jain S/o Shri Vijay Kumar Jain 20, Ansari Road, Darya Ganj, New Delhi (Chartered Accountant in practise)
Mr. Bijeshwar Prasad Jain S/o Late Shri M. P. Jain, M-57, Greater Kailash I, New Delhi (Business)	10	
Mr. Pradeep Kumar Jain S/o Mr. H. C. Jain J-12, Kailash Colony, New Delhi (Business)	10	
Ms. Sonia Jain D/o Mr. B. P. Jain M-57, Greater Kailash I, New Delhi (Student)	10	
Ms. Meenal Jain D/o Mr. B. P. Jain M-57, Greater Kailash I, New Delhi (Student)	10	
Mrs. Nupur Jain W/o Mr. P. K. Jain J-12, Kailash Colony, New Delhi (House Wife)	10	
Mr. Mukul Aggarwal S/o Mr. S. K. Aggarwal 40, Ajmal Khan Road, Dehradun (U.P.) (Service)	10	
Total	70	

Dated, this 30th day of October, 1981, New Delhi.