

**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
AARVEE DENIMS AND EXPORTS LIMITED**



FORM I. R.

CERTIFICATE OF INCORPORATION

No. 04-10504 OF 1987-88

I hereby certify that

AMTEX (INDIA) PRIVATE 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 TWENTYEIGHTH day of MARCH One Thousand Nine Hundred and EIGHTY EIGHT.



Sd/-

[S. C. GUPTA]

Registrar of Companies

GUJARAT



Co. No. 04-10504

Fresh Certificate of Incorporation Consequent on

CHANGE OF NAME

In the OFFICE OF THE REGISTRAR OF COMPANIES GUJARAT,

[Under the Companies Act, 1956 (1 of 1956)]

In the Matter of **AMTEX INDIA PRIVATE LIMITED.**

I hereby certify that **AMTEX INDIA PRIVATE LIMITED.**

which was originally incorporated on **28-3-1988** under the Companies Act, 1956 and under the name

AMTEX INDIA PRIVATE LIMITED

having duly passed the necessary resolution in terms of Section 21/31/ 44 of the Companies Act. 1956 Vide S/R Passed on 2-4-1992 the Name of the said Comapny is this day changed to

AMTEX INDIA LIMITED

and this certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at AHMEDABAD.

Dated this **SEVENTH** day of **APRIL, 1992** One Thousand Nine Hundred Ninety Two.



Sd/-

(B. K. L. SRIVASTAVA)

Asstt. Registrar of Companies,

Gujarat

Dadra & Nagar Haveli

Co. No. 04-10504



Fresh Certificate of Incorporation Consequent on

CHANGE OF NAME

In the OFFICE OF THE REGISTRAR OF COMPANIES GUJARAT,

[Under the Companies Act, 1956 (1 of 1956)]

In the Matter of **AMTEX (INDIA) LIMITED.**

I hereby certify that **AMTEX (INDIA) PRIVATE LIMITED.**

which was originally incorporated on **28-3-1988** under the Companies Act, 1956 and under the name

AMTEX (INDIA) PRIVATE LIMITED

having duly passed the necessary resolution in terms of Section 21/31/ 44 of the Companies Act. 1956, and the approval of the Central Government signified in writing having been accorded thereto The Ministry of Law Justice and Company Affairs; Department of Company Affairs, (Company Law Board) On _____ Vide letter No. 10504 Dated 7-4-1994 the Name of the Said Company is this day changed to

AARVEE DENIMS AND EXPORTS LIMITED

and this certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at AHMEDABAD.

Dated this **7th April, One Thousand Nine Hundred Ninety Four.**



Sd/-

(M. L. SHARMA)

Registrar of Companies, Gujarat
Dadra & Nagar Haveli

MEMORANDUM OF ASSOCIATION
OF
AARVEE DENIMS AND EXPORTS LIMITED

- I. The name of the Company is **AARVEE DENIMS AND EXPORTS LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Gujarat.
- 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 as manufacturers, producer, printers, dyers, weavers, processors, fabricators, assemblers, ginners, bleachers, balers, knitters, pressers, carders, sizers, spinners, woolcombers, worsted packers, reelers, refiners, distributors, traders, dealers, agents, brokers, financiers, buyers, sellers, importers and exporters of natural and man-made fibres including cotton staple fibre, synthetic, viscose, artificial silk, jute silk, hemp, wool, liner, nylon, terelene, cotton and synthetic waste or any other fibrous materials and yarn whether blended, spun, filament or otherwise including floor cloth, American cloth, tarpauliners, table cloth, upholstery, curtains, water proofing goods and articles, dress linings and synthetic materials, knitted products, garments, readymade or otherwise including shirts, bush shirts pyjama, suits pants, uniform for the Army, Navy, Airforce and other personal safaries, suits, coats, hosiery, vests, under garments for men, women and children made-ups shawls, sweaters, laces, stockings, mats,. rugs, blankets, packing materials, tapes, sacks, fabrics whether textile, felted, netted or looped.

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

1. To take part in the formation, management, supervision or control of the business or operations of any company or undertaking and for that purposes to act as administrators, receivers as far as permitted by law and to appoint and remunerate any director, administrator, manager or accountant or other expert or agent.
2. To employ agents or experts to investigate and examine the conditions prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, properties or rights.
3. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation, provident or gratuity funds for the benefit of and give or procure the giving of the donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the company or of any company which is a subsidiary of the company or is allied to be associated with the company or with any such subsidiary or who are or were at any time directors of officers of the company or of any such other company as aforesaid and the wives, widows, families and dependents of any such persons and also to establish and subsidize and subscribe to any institutions, associations, clubs or funds calculated to be for benefit of or to advance the interest and well being of the company or of any such other company as aforesaid and make payments to or towards the insurance of any such person as aforesaid and to any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
4. To enter into any arrangements with any government or authorities or any person or company that may seem conducive to the objects of the company or any of them, and obtain from any such government authority, person or company any rights, privileges, charters, contracts, licences and concessions which the company may think it desirable to obtain and to carry out exercise and comply therewith.
5. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with, all or any part of the property and rights of the company.
6. To buy, sell, manipulate, import, export and deal in all substances, apparatus and things materials and articles capable of being used in any such business as aforesaid or required by any customers of or persons having dealing with the Company either by wholesale or retail.
7. To enter into any contract or arrangement with any Government or authorities, 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 rights, privileges and concessions which the company may think it desirable to obtain in and to carry out, exercise, perform and comply with any such contract arrangement, rights, privileges and concessions or to dispose off or to turn to account the same.
8. To train or pay for training in India or abroad for any of the Company's employees or any candidate in the interest or for furtherance of the company's objects.
9. To expend money on experimenting upon and testing and improving or securing any process, patent or patents or protecting any invention or inventions which the company may acquire or propose to acquire or deal with.
10. To apply for, tender, purchase, or otherwise acquire any contracts sub contracts, licences and concessions for works involving the supply or use of any of the products of the company or in relation to the objects or business herein mentioned or any of them and to undertake, execute carry out, dispose of or otherwise turn to account the same.
11. To enter into partnership or into any arrangement of sharing profits union of interest, cooperation, joint venture, reciprocal concessions or otherwise with any person or firm or Company carrying on or engaged in or about to carry on or engaged in any business or transaction which the company is authorised to do, which is capable of being conducted directly or indirectly to benefit this company and to lend money, firm or company and take or otherwise acquire shares and securities of any such company, to sell, hold, reissue, with or without guarantee, the same.
12. To pay premiums or salaries and to pay for any property, rights and privileges acquired by the company or for services rendered or to be rendered in connection with the promotion, formation, of or the business of the company or to acquire any property for the company or otherwise wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and to issue any such shares either as fully paid up or

with such amount credited as paid up thereon as may be agreed upon, and to charge any such bonds, debentures, or other securities upon all or any part of the property of the company.

13. To enter into collaboration with foreign firms, companies or persons on such terms and conditions including payment of royalty and exchange ratio as the Directors may think fit.
14. To extend or develop the business of the company from time to time by purchasing, acquiring by exchange, grant assignment, transfer or otherwise or taking on lease, for the purpose of the company in India or elsewhere any land (Whether leasehold, or otherwise) with or without building standing thereon and land any machinery, plant or other property (including trade mark, trade names and goodwill) of every description (Movable as well as immovable) necessary or expedient for any business or objects or prospective business or requirements of the Company or any estate or interest in or any right over or option in any such property and to work operate and develop and turn to account or selling, mortgaging or disposing off and dealing with same and by erecting, laying down, enlarging, altering, constructing, maintaining on any lands of or in possession, of the Company any factories, other buildings, structures, works machinery, plant premises, gardens, studios, laboratories, cinema house or house to show pictures, office and workshops and to let on hire and to improve, extend, repair, add alter, enlarge and remove all or any of the building, factories, premises, machinery and other things for the time being the property of the company and to expand for such purposes from time to time such sums of money as the company may deem necessary or expedient.
15. To exchange, sell, convey, mortgage, assign or let on lease or leases the whole or any part of the property (whether moveable or immovable) of the company and to accept as Government Securities or securities guaranteed by the Government of India or State or other Government or Municipal, Port Trust, Railway or there authority or shares, debentures, stocks, bonds, or securities of any other joint-stock company or companies or partly the other or such other property or securities as may be determined by the company and take back or require any property so disposed off by repurchasing or leasing the same for such price or prices and on such terms and conditions as the Company may think fit.
16. To appoint engineers, contractors, managers, brokers, underwriters, canvassers, agents and other persons to establish and maintain agencies or branches in any part of India or elsewhere for the purposes of the company and to discharge and to discontinue the same.
17. To apply for, purchase or otherwise acquire and protect, prolong and review whether in India or elsewhere any patents brevets' d inventions licences, concessions and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purpose of the company acquisition of which may seem calculated directly or indirectly to benefit the company.
18. To accept expeditions and commission and to employ and remunerate experts or other agents in connection therewith with a view to secure any of the objects of the company.
19. To lend and advance money either with or without interest and either with or without security and generally to lend money to such person or persons, firm and/or companies, limited or otherwise and to such customers, sellers and others and members of the staff, having dealings with the company or not, upon such terms and conditions as the company may think fit by any such persons provided that the company shall not carry on the business of banking as defined by the Banking Companies Act, 1949.
20. To make advances of such sum or sums of moneys upon or in respect of or for the purpose of raw materials, goods, machinery, stores or any other property, articles and things required for the purposes of the company upon such terms with or without security as the company may deem expedient.
21. To borrow or raise money or to receive money on deposit at interest or secure the payment money for any of the purposes of the company or in connection with the company's business or otherwise and at such time or times and in such manner as may be thought fit by the company and in particular by issue of debentures or debenture stock, perpetual or otherwise including debentures or debenture stock convertible into shares of this or any other company charged or not charged upon all or any of the company's property, both present and future including its uncalled capital, or perpetual annuities and as security for any such money so borrowed raised or received or of any such debenture or debenture-stock so issued to mortgage pledge or charge the whole or any part of the property, assets, or revenue and profits of the company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust

and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem, or payoff any such securities.

22. To make, draw, accept, endorse, discount, execute, issue negotiate, assign and otherwise deal in cheques, drafts, bills of exchange, promissory notes, hundies. debentures, bonds bills of lading railway receipts, warrants and all other negotiable or transferable instruments.
23. To open account or accounts with any individual, firm or company or with any Bank or Bankers, and shroffs and to pay into, and withdraw money from such account or accounts.
24. To make donations to such persons, institutions and bodies and in such cases either of cash or any other assets as may be thought directly or indirectly conducive to any of the Companys objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to this company and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or there objects and to establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences for the benefit of the employees or ex-employees or of persons having dealing with the Company or the dependents, relatives or connections of such person and in particular friendly or other benefit society and to grant pensions, allowances, gratuities, and bonuses either by way of an annual payment or a lump sum and to make payment towards insurance and to form and contribute to provident and benefit funds, to or for such persons and to subscribe or otherwise assist or grant money to religious, scientific, national or other institutions, objects or purpose.
25. To remunerate, pay brokerage or commission either in cash or in fully paid up shares with or without preferred or deferred rights attached, to any person firm or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing or subscribing any shares in the company's capital or any debentures or a debenture stock or other securities of the company or in about the formation or promotion of the company or the acquisition of property by the company or in the conduct of its business or in any other manner whatsoever.
26. To distribute as dividend or bonus amongst the members or to place to reserve and otherwise to apply as the company may from time to time determine any moneys received in payment of dividends accrued on forfeited shares and moneys or dividends arising from the sale by the company of the forfeited shares or any moneys received by way of premium on shares or debentures issued at a premium by the company.
27. To invest and deal with the moneys not immediately required in such manner as may from time to time be thought fit by the company.
28. To create any depreciation funds, reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the company or for any other purpose conducive to the interest of the company.
29. To entitle Directors to work in India and/or elsewhere and have dealings with the Company in all respects for the business of the Company and also as buying and selling agents for all kinds of goods commodities and articles dealt in by the Company for which the said Directors shall be entitled to a remuneration in addition to the fees payable to them as such Directors.
30. To Indemnify members, officers, Directors, Agents and Servants of the Company against proceedings, costs, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company or for any loss, damages, or misfortune whatever, which may happen in execution of duties of their office or in relation thereto.
31. To form, promote, subsidise, organise, and assist or aid in forming, promoting, subsidising, organising assisting or aiding any other companies, syndicates or partnership of all kinds for the purpose of acquiring and undertaking all or any of the property and liabilities of this Company or advancing directly or indirectly objects or interest thereof or for any other purpose which this Company may think expedient and to take or otherwise acquire and hold shares, stocks and securities of any such Company and guarantee the payment of any debentures, or other securities issued by any such company.
32. To let out on hire to grant licence for the use of all or any of the property of the Company (whether real or personal) including every description of apparatus or appliances of the Company.

33. To procure the Company to be registered or incorporated or recognised in any part of the world in accordance with the laws for the time being at such place.
34. To take such steps as may be necessary to give the company the same rights and privileges in any part of the world as are possessed by local companies or partnership of a similar nature.
35. To sell, lease, mortgage, surrender, abandon and in other manner deal with and dispose of the undertaking or all or any of the property of the Company for such consideration as the Company may think fit either for cash or for shares, stocks, debentures and other securities of any other company or for any other consideration, subject to the provisions of the Companies Act, 1956.
36. Subject to the provisions of Section 205 of the Companies Act, 1956 to distribute any of the property of the Company or any proceeds of the sale or disposal of any property of the Company in specie among the members of the Company, in the event of winding up.
37. To amalgamate with any company whose objects are similar wholly or partly 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 any 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 or by partnership or any arrangements, of the nature of partnership or in any other manners.
38. To payout of the funds of the company all or any costs, charges, and expenses, preliminary and incidental to the promotion, formation, registration, advertisements and establishment of this Company and the issue and subscription of the share or loan capital including brokerage and/or commission for obtaining application for or placing or guaranteeing the placing of shares or any debentures, debenture-stock and other securities of this company and also all expenses attending the issue of any circular or notice and forms to be filed up by the members of the company.
39. To do all or any of the above things as are incidental or as may be thought conducive to the attainment of the objects or any of them in India or in any part of the world as principals, agents, contractors, and either alone or in conjunction or collaboration with other and either by or through agents, trustees, contractors or otherwise.
40. To provide for and furnish or secure to any members or customers of the company, or to any subscribers to or purchaser or possessors of any products of the company or of any coupons or tickets issued with any products or goods sold by the company, any chattels, conveniences, advantages, benefits, or special privileges, which may seem expedient and whether gratuitions or otherwise.
41. To acquire and undertake the whole or any part of the business property or any liabilities of any person or company carrying on or proposing to carry on or possessed of property suitable for the purposes of the company or which can be carried on in conjunction there with or which is capable of being conducted so as directly or indirectly to benefit the company.
42. In the course of business of the Company to guarantee the performance of any contract or obligation of any company, firm or persons, and to guarantee the payment of repayment and the capital and principal of and interest or premium payable on any stock, shares and securities, debentures, debenture-stock, mortgages, loan or other securities issued by any company, corporation, firm or person, including (without prejudice to the said generality) bank overdrafts, bills, of exchange and promissory notes and generally to give guarantees and indemnities.
43. To become member of any other bodies or persons, associations, institutions, clubs, societies and bodies corporate including companies limited by guarantee.
44. To accept gifts, bequestes, devices or donation of any movable or immovable property or any right to interest therein from members or others.
45. To establish show-rooms, workshops, offices, laboratories and factories suitable for the purpose of the company's business.
46. To acquire or undertake by purchase, lease, leave and licence or otherwise the whole or any part of the business, property, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the business or businesses which this company is authorised to carry on or which is similar in the nature to the business of this company or possessed of any property suitable for the purposes of the company

of which may seem, directly or indirectly calculated to benefit this company and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company or to enter into any arrangement for sharing profits or for agency for joint operations or for co-operation or for limiting compensation or for mutual assistance with any such person, firm or company and to give and accept, by way of consideration for any acts or things aforesaid or property acquired and shares, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures, debenture-stock or securities so received 'and to conduct and carry on or liquidate and wind up any such business.

[C] OTHER OBJECTS:

1. To purchase or otherwise acquire copy-right, rights of publication, production, reproduction, translation or other rights in respect of any literary scientific articles or other matter and to turn the same to account or to dispose of all or any part thereof.
2. To carry on business in India and elsewhere as an importer and exporters of all kinds of plastic resin and plastic packing materials.
3. To design, fabricate and manufacture plant, equipment, accessories, apparatus, parts and machinery required in all types of processing techniques/or in any other plastic processing materials.
4. To act as agents or representatives of companies, corporations, firms, individual or any government, State or Central or any Local Authority or public or private bodies or persons and to transact and carry on all kinds of agency business and to acts as an agents, brokers and as trustees for any person or company and to undertake and perform such contracts.
5. To purchase for investment or resale and to traffic in land and house or other property of any tenure and any interest therein and to create, sell and deal in free hold and lease hold land and/or property and generally to deal in traffic by way of sale, lease, exchange or otherwise with land and house property and any other property whether immovable or movable and to develop and turn to Account any land acquired by or in which the Company is interested and to enter into contracts and arrangements of all kinds with builders, tenants and other.
6. To carry on the business of dealers in products, articles and packagings made from paper, board, pulp of all kinds, cellulose films, polythelene, plastic films, metal foils and films of all kinds and other flexible or treated or laminated materials and manufacturing fabricating, treating, waxing, lacquering and laminating all kinds of packaging materials.
7. To underwrite shares, stocks, debentures or other securities and generally to do all kinds of financial business.
8. To subscribe for, take, acquire and hold, sell, exchange, transfer, negotiate discharge or deal in shares, bonds, obligations of companies and acquire or deal in Government Promissory Notes and other securities of Central or State Government or local authorities.
9. To carry on the business of dealers in machinery and plant of every description and kind and in particular machine tools and implements and to repair, alter, convert, recondition, prepare for sale, buy, sell, hire, import, export, let out on hire, trade and deal in machine tools and implements, other machinery plants, equipment, articles, apparatus, appliances, component, parts, accessories, fittings and things in any stage or degree of manufacture, process or refinement.
10. To carry on business in India and elsewhere as manufacturers of dealers in importers and exporters of all kinds of packaging materials and containers such as wood, glass, plastics rubber, gelatine, tin metal foils and packing requisites of every kind and description.
11. To carry on business of packing of every kind of pharmaceuticals, chemicals, consumers, goods, commodities, articles, things, materials and substances.
12. To buy, sell,. manufacture and deal in containers and receptacles of all kinds whether made of steel, brass, clay, chine-clay or any material or substance used in the manufacture of the same.
13. To undertake or promote research in economic, fiscal, commercial, financial. technical and scientific problems.

- IV. The liabilities of the members is limited.
- V. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores only) divided into 3,50,00,000 (Three Crores Fifty Lacs only) equity share of Rs. 10/-(Rupees Ten only) each and 1,50,00,000 (One Crore Fifty Lacs only) Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each.

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

Names, addresses, Description and Occupation of Subscribers	No. of Equity Shares agreed to be taken by each Subscriber	Name, Address, Description Occupation & signature of Witness
<p>1. Ashish Shah S/o, Virendrabhai Bhogilal Shah 2, Jain Merchants Society, Paldi, Ahmedabad – 380 007. Business Sd/ - A.V. Shah</p>	<p>100 (One Hundred)</p>	<p>Common Witness to both</p> <p>Mukesh Chokshi S/o, Rasiklal Chokshi 1455, Toda's Pole, Sheth's Pole, Mandvi's Pole, Ahmadabad – 380 001.</p> <p>Chartered Accountant</p> <p>Sd/- Mukesh Chokshi</p>
<p>2. Vinod Arora S/o, Shri Parmanand Tekchand Arora, 20, 'Sarathi', Near Drive-In-Cinema, Ahmedabad – 380 052. Business Sd/- V.P. Arora</p>	<p>100 (One Hundred)</p>	
<p>Total :</p>	<p>200 (Two Hundred)</p>	

Place : Ahmadabad

Dated this 9th day of **March, 1988**

**ARTICLES OF ASSOCIATION
OF
AARVEE DENIMS AND EXPORTS LIMITED**

Table “F” not to apply but Company to be governed by these Articles.

1. The regulations contained in Table “F” in the First Schedule to the Companies Act, 2013, shall not apply to this Company, but the regulations for the Management of the Company and for the observance 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 Companies Act, 2013, be such as are contained in these Articles.

2. INTERPRETATION

In the interpretation of these Articles, the following expressions shall have following meaning unless repugnant to the subject or context:

The Act

“The Act” means the Companies Act, 2013 and earlier provisions of the companies Act, 1956 which were applicable before the commencement of the Act 2013 and includes any statutory modification or reenactment thereof for the time being in force.

These Articles

“These Articles” means the articles of association of a company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act;

Auditors

“Auditors” means and includes those persons appointed as such for the time being of the Company.

Board or Board of Directors

“Board” or “Board of Directors” means the Board of Directors of the Company or the Directors of the Company collectively.

Capital

“Capital” means the share capital for the time being raised or authorised to be raised for the purposes of the Company.

Chairman

“The Chairman” means the Chairman of the Board of Directors for the time being of the Company.

Charge

“Charge” includes a mortgage.

“Charter”

“Charter” means the Articles of Association of the Company.

* Alteration of Articles of Association by passing Special Resolution in the 25th Annual General Meeting of the Company held on 30/09/2014.

“Control”

“Control” means the power to direct the management or policies of the Company, directly or indirectly, whether through the ownership of shares or other securities, by exercise of voting rights or otherwise.

“DEG”/“DEG - DEUTSCHE INVESTITIONS - UND ENTWICKLUNGSGESELLSCHAFT MBH”

“DEG”/ “DEG - DEUTSCHE INVESTITIONS-UND ENTWICKLUNGSGESELLSCHAFTMBH” means a financial institution incorporated and existing as a limited liability company under the laws of the Federal Republic of Germany (Reg. No. HRB 1005, AG Köln) having its registered office at Kaemmergasse 22,50676 Koeln, Germany.

“DEG Shares”

“DEG Shares” means the shares from time to time owned by DEG as a result of DEG’s subscription pursuant to the Subscription Agreements, DEG’s exercise of pre-emptive rights or issuances to DEG in connection with a stock dividend, stock split, bonus issue, and combination of shares, recapitalization, merger, consolidation or other reorganization in respect of the DEG Shares. For avoidance of doubt, it is clarified that any other shares acquired by DEG from shareholders of the Company shall not be considered as part of DEG Shares.

“DEG Subscription”

“DEG Subscription” means the subscription of DEG shares by DEG provided for in Article IV of each of the Subscription Agreements.

The Company or This Company

“The Company” or “This Company” means the Company above named.

Debenture

“Debenture” includes debenture-stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

Directors

“Directors” means the Board of Directors for the time being of the Company or as the case may be the Directors assembled at a Board or acting under a Circular Resolution under these Articles.

Dividend

“Dividend” includes bonus.

Executor or Administrator

“Executor” or “Administrator” means a person who has obtained Probate or Letter of Administration, as the case may be, from a court of Competent jurisdiction and shall include holder of a Succession Certificate authorising the holder thereof to negotiate or transfer the share or shares of the deceased member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator Generals Act, 1963.

Gender

Words importing the masculine gender shall include the feminine gender and vice versa.

In Writing and Written

“In writing” and “Written” includes printing, lithography and other modes of representing or reproducing words in a visible form.

Legal Representative

“Legal Representative” means a person who in law represents the estate of a deceased Member.

Sub headings

The sub headings hereto shall not affect the construction hereof.

Members

“Members” means the duly registered holders from time to time, of the shares of the company and includes the subscribers to the Memorandum of the Company.

Meeting or General Meeting

“Meeting” or “General Meeting” means a meeting of the members.

Annual General Meeting

“Annual General Meeting” means a General Meeting of the members held in accordance with the provisions of Section 96 of the Act.

Extra-ordinary General Meeting

“Extraordinary General Meeting” means an Extra-ordinary General Meeting of the members duly called and constituted and any adjourned holding thereof.

Month

“Month” means a calendar month.

Office

“Office” means the Registered Office for the time being of the Company.

Ordinary Resolution

“Ordinary Resolution” shall have the meaning assigned to it by Section 114 of the Act.

Paid up

“Paid up” includes credited as paid up.

Persons

(ad) “Person” means any (natural person, corporation, company, partnership, firm, voluntary association, joint venture, trust, unincorporated organization, Authority or any other entity whether acting in an individual, fiduciary or other capacity.

Proxy

“Proxy” means an instrument whereby any person is authorised to attend a meeting and vote for a member at the General Meeting or a poll.

The Register of Members

“The Register of Members” means the Register of Members to be kept pursuant to Section 88 of the Act.

The Registrar

“The Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.

The Company’s Regulations

“The Company’s Regulations” means the regulations for the time being for the management of the Company.

Seal

“Seal” means the Common Seal for the time being of the Company.

Company secretary” or Secretary

“Company secretary” or Secretary” A company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act;

Company secretary” or Secretary

“Company secretary in practice” Company secretary who is deemed to be in practice under sub-section (2) of section 2 of the Company Secretaries Act, 1980;

Depository

“Depository” A depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996;

Employees' stock option

"Employees' stock option" The option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price;

Independent director

"Independent director" An independent director referred to in sub-section (5) of section 149;

Independent director

"Global Depository Receipt" Any instrument in the form of a depository receipt, by whatever name called, created by a foreign depository outside India and authorised by a company making an issue of such depository receipts;

Indian Depository Receipt

"Indian Depository Receipt" Any instrument in the form of a depository receipt created by a domestic depository in India and authorised by a company incorporated outside India making an issue of such depository receipts;

Postal ballot

"Postal ballot" Voting by post or through any electronic mode;

E-Voting

"E-Voting" E-Voting with the help of electronic voting systems.

Sweat equity shares

"Sweat equity shares" Such equity shares as are issued by a company to its directors or employees at a discount or for consideration, other than cash, for providing their know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called;

Total voting power

"Total voting power" In relation to any matter, means the total number of votes which may be cast in regard to that matter on a poll at a meeting of a company if all the members thereof or their proxies having a right to vote on that matter are present at the meeting and cast their votes;

Voting right

"Voting right" The right of a member of a company to vote in any meeting of the company or by means of postal ballot;

Accounting standards

"Accounting standards" The standards of accounting or any addendum thereto for companies or class of companies referred to in section 133;

Auditing standards

"Auditing standards" The standards of auditing or any addendum thereto for companies or class of companies referred to in sub-section (10) of section 143;

Associate company

"Associate company" In relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation.—For the purposes of this clause, "significant influence" means control of at least twenty per cent. of total share capital, or of business decisions under an agreement;

Shares

"Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied.

Special Resolution

“Special Resolution” shall have the meaning assigned to it by Section 114 of the Act.

“Subscription Agreements”

“Subscription Agreements” means, collectively the subscription agreement for equity shares dated June 23, 2005 (“Subscription Agreement for Equity Shares”) and the subscription agreement for preference shares dated June 23, 2005 (“Subscription Agreement for Preference Shares”) executed between the Company and DEG.

Words and expressions used and not defined in this Act but defined in the Securities Contracts (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996 shall have the meanings respectively assigned to them in those Acts.

Expression in the Act to bear the same meaning in Articles

Save as aforesaid, any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

CAPITAL

3. The authorised share capital of the Company is Rs. 500,000,000 divided into 35,000,000 equity shares of Rs. 10 each and 15,000,000 cumulative redeemable non-convertible preference shares, with right to alter the same in whatever way as deemed fit by the Company. The Company may increase the Authorised Capital which may consist of equity and/or preference shares as the Company in General Meeting may determine in accordance with the law for the time being in force relating to companies with power to increase or reduce such capital from time to time, in accordance with the Charter of the Company and the legislative provisions from the time being in force, in this behalf and with power to divide the Shares in the Capital for the time being into equity share capital or preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions and to vary, modify and abrogate the same in such manner as maybe determined by or in accordance with these presents.

4. **Increase of Capital by the Company at how carried into effect**

The Company may in General Meeting, from time to time by ordinary resolution, increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one/or more classes and of such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of asset of the Company and with a right of voting at General Meeting of the Company in conformity with Sections 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of section 64 of the Act.

5. **New Capital same as existing capital**

Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

6. **Redeemable Preference Shares**

Subject to the provisions of Section 55 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 in accordance with the act.

7. **Provisions to apply on issue of Redeemable Preference Shares**

On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect.

- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purposes of ‘the redemption.
- (b) No such shares shall be redeemed unless they are fully paid.
- (c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company’s Share Premium Account, before the shares are redeemed.

- d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits, which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act, relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
- (d) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.

8. Reduction of share capital

The Company may (Subject to the provisions of Sections 52, 55 and 66 and other applicable provisions, if any of Act) from time to time by special resolution reduce (a) the share capital (b) any capital redemption reserve account or (c) any share premium account in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power Company would have, if it were omitted.

9. Consolidation division, sub-division and cancellation of Shares

Subject to the provisions of Section 61 of the Act, the Company in General Meeting may from time to time by an ordinary resolution after the conditions of its Memorandum as follows:

- (a) Consolidate and divide all or any of its share capital into shares of large amount than its existing shares.
- (b) Sub-divide its shares or any of them into shares of smaller amount than fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on such reduce share shall be the same as it was in the case of the share from which the reduced share is derived.
- (c) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.

Whenever the Company shall do anyone or more of the things provided for in the foregoing sub-clauses (a), (b) and (c), the Company shall within thirty days thereafter give notice thereof to the Registrar as required by Section 64 of the Act, specifying, as the case may be, the shares consolidated divided, sub-divided or cancelled.

10. Modification of rights

Whenever the capital, by reason of the issue of the preference shares or otherwise is dividend into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issue capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class and all the provisions hereinafter contained as to general meeting shall mutatis mutandis apply to every such meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.

The rights conferred upon the holders of the shares (including preference shares if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated dealt with or varied by the creation of issue of further shares ranking *pari passu* therewith.

DEG Positive Assent

10A It is recognized by DEG that incorporation of these provisions in the Articles is on the basis that DEG, acting in its capacity as shareholder of the Company, shall seek to align its interests with that of the Company and would not use or share the information provided by the Company for any purpose other than that related to its investments in the Company.

10B After DEG Subscription has been made and DEG Shares have been issued to DEG and for so long as DEG holds more than 1,172,990 DEG Shares in the Company, the Company shall not, without the prior written positive assent of DEG:

- (a) change its Charter;

- (b) change the nature of its business in any manner contrary to the main objects of the Company as stated in the Charter;
- (c) change its Financial Year;
- (d) change its authorized or issued share capital" consolidate or divide its share capital; change class rights, if any, attached to the shares issued by the Company (directly or indirectly);
- (e) grant an option to subscribe to any further new shares/instruments, acquire or dispose of shares (other than in ordinary course of business);
- (f) undertake listing / de-listing of the Company's shares on any stock exchange;
- (g) change its legal status in any manner whatsoever, viz. public company to private company;
- (h) create a new subsidiary, other than subsidiaries that are fully owned by the Company;
- (i) expand and develop its business except through itself or any subsidiary of the Company; nor enter into any partnership, profit sharing or royalty agreement or other similar arrangement whereby the Company's income or profit is, or may be, shared with any other Person;
- (j) enter into or offer a service or any other agreement, except for renewal of any existing agreement, with any director or connected person or materially change such an agreement;
- (k) invest in any tax saving scheme which is not within the ordinary course of business and which amounts to a sum greater than US \$ 5 million, or its equivalent;
- (l) make a substantial business acquisition exceeding US \$ 5 million or its equivalent in any currency, being the amount invested by the Company, either in form of equity or debt;
- (m) dispose of all or a substantial part of its business exceeding US \$ 5 million;
- (n) give any guarantees or make any loans (other than in the ordinary course of business);
- (o) incur expenditure for fixed or non Current Assets in any Financial Year exceeding US \$ 5 million;
- (p) appoints a member of the management with a total salary package exceeding Rs. 1.5 million per year, which may increase to up to 10 % every year, or change the employment contract with any member of the Promoter Group or related party, without first consulting with DEG; or
- (q) Passing of any resolution for winding up or voluntary liquidation.

However, from the date after DEG sells a part of the DEG Shares in the Company so that at any time it holds less than 1,172,990 shares of the Company (or such changed number of shares obtained after suitably adjusting for any bonus or' rights issue or any distributions from revaluation fund or any stock split / consideration in respect of the 1,172,990 shares), on a fully diluted basis the Company shall not be required to seek DEG's prior written positive assent on any matter other than the following:

- (i) any change in the Charter;
- (ii) change in the nature of the business of the Company in any manner contrary to the main objects of the Company as stated in the Charter;
- (iii) change in the accounting reference period of the Company;
- (iv) listing / de-listing of the Company's shares on any stock exchanges or change in its legal status, viz.. public company to private company, etc.; and
- (v) passing of any resolution for winding up or voluntary liquidation.

10C When DEG ceases to be a shareholder in the Company, Article 10A to 10C, Article 10D to 10F, Article 35 and definition of "Subscription Agreement" in Article 2, shall automatically stand deleted from these Articles.

"Obligations of the Company"

10D The Company undertakes to appoint an internationally renowned accounting firm acceptable to DEG to carry out a review of the audited accounts of the Company for the Accounting Year 2005-06, with special emphasis on related party transactions.

10E The Company undertakes to appoint and maintain at all times an internationally renowned accounting firm, acceptable to DEG, from the Financial Year 2006-07 onwards as the statutory auditor of the Company, with

special emphasis on related party transactions. However, the Company may continue to retain the services of any other auditor as joint auditors of the Company if the Company so wishes.

10F The Company undertakes to ensure that, unless DEG otherwise agrees in writing, the Company shall not:

- a) enter into any transaction except in the ordinary course of business on the basis of arm's-length arrangements (including, without limitation, transactions whereby the Company might pay more than the ordinary commercial price for any purchase or might receive less than the full ex-works commercial price, subject to normal trade discounts, for its products); and
- b) make (and shall not authorize or permit any Promoter or any Promoter's Affiliate or any other Person acting on his or their behalf to make) with respect to the Project or any transaction contemplated by this Agreement, any Prohibited Payment. The Company further covenants that should DEG notify the Company of its concerns that there has been a violation of the provisions relating to of Section 7.01 or of Section 3.01(q) of the Subscription Agreement for Equity Shares, it shall cooperate in good faith with DEG and its representatives in determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from DEG, and shall furnish documentary support for such response upon DEG's request.

SHARES AND CERTIFICATES

11. Restriction on allotment and return of allotment

The Board of Directors shall observe the restrictions to allotment of shares to the public contained in Section 39 of the Act and shall cause to be made the returns as to allotment provided for in Section 39 of the Act.

12. Further issue of shares

- (1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
 - (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
 - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
 - (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
 - (iii) 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 of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;
 - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or
 - (c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.
- (2) The notice referred to in sub-clause (i) of clause (a) of sub-section (1) shall be despatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (3) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

- (4) Notwithstanding anything contained in sub-section (3), where any debentures have been issued, or loan has been obtained from any Government by a company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

- (5) In determining the terms and conditions of conversion under sub-section (4), the Government shall have due regard to the financial position of the company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (6) Where the Government has, by an order made under sub-section (4), directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the Tribunal under sub-section (4) or where such appeal has been dismissed, the memorandum of such company shall, where such order has the effect of increasing the authorised share capital of the company, stand altered and the authorised share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

13. Shares under control of Directors

Subject to the provisions of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose off the same to such person on such terms and conditions and at such time, as they think fit with full power, subject to the sanction of the Company in General Meeting to give any person the option to call for or be allotted shares of any class of the Company either at a premium or at par or subject to the provisions of Sections 52 and 53 of the Act, at a premium or at par and such option being exercisable for such time and for such consideration as the Directors think fit.

14. Application of premium received on shares

- (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this section, apply as if the securities premium account were the paid-up share capital of the company.
- (2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company—
- (a) towards the issue of unissued shares of the company to the 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 issue of shares or debentures of the company;
 - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or
 - (e) for the purchase of its own shares or other securities under section 68.

15. Liability of Members

Every member of his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay to the Company the portion 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 requisitions, require or fix for the payment thereof.

16. Share Certificate

Every share certificate will be issued under the common seal of the Company. A certificate, issued under the common seal of the company, specifying the shares held by any person, shall be prima facie evidence of the title of the person to such shares.

- (2) A duplicate certificate of shares may be issued, if such certificate —
 - (a) is proved to have been lost or destroyed; or
 - (b) has been defaced, mutilated or torn and is surrendered to the company.
- (3) the form of such certificate, the particulars to be entered in the register of members and other matters shall be such as may be decided by the board.
- (4) Where a share is held in depository form, the record of the depository is the prima facie evidence of the interest of the beneficial owner.

17. New certificate to be granted on delivery of the old certificates

New certificates shall not be granted except upon delivery of the worn out or defaced or used up certificate for the purpose of cancellation and upon proof of destruction or loss and upon such terms, if any, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Board of Directors may think fit in the case of any certificate having been destroyed, lost or defaced beyond identification.

18. The first named of joint holders deemed sole holder

If any share stands in the name of two or more persons, the person first named in the Register shall, as regards receipt of dividends or bonus or service of notice and all 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 shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's regulations.

19. Company not bound to recognise any interest in share other than of registered holder

Except as ordered by a Court of Competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any 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 an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

20. Funds of Company not to be applied in purchase of shares or the Company

No funds of the Company shall, except as provided by the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 and 66 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loans, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company in its holding Company.

21. Debentures

- (1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.
- (2) The company shall not issue any debentures carrying any voting rights.
- (3) The Company shall follow provisions of Section 71 for issue, conversion and redemption of debentures.

22. Calls on shares of same class to be made on uniform basis:

Where any calls for further share capital are made on the shares of a class, such calls shall be made on a uniform basis on all shares falling under that class. Explanation: for the purposes of this section, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

23. Forfeiture of shares

If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

The notice aforesaid shall—

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has 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.

The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

24. Transfer and transmission of shares

A company shall not register a transfer of securities of the company, or the interest of a member in the company in the case of a company having no share capital, other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer, in such form as may be prescribed, duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence, along with the letter of allotment of securities:

Provided that where the instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed period, the company may register the transfer on such terms as to indemnity as the Board may think fit.

Where an application is made by the transferor alone and relates to partly paid shares, the transfer shall not be registered, unless the company gives the notice of the application, in such manner as may be prescribed, to the transferee and the transferee gives no objection to the transfer within two weeks from the receipt of notice.

The company shall, deliver the certificates of all securities allotted, transferred or transmitted—

- (a) within a period of two months from the date of allotment, in the case of any allotment of any of its shares;
- (b) within a period of one month from the date of receipt by the company of the instrument of transfer.
- (d) within a period of six months from the date of allotment in the case of any allotment of debenture:

Provided that where the securities are dealt with in a depository, the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.

The transfer of any security or other interest of a deceased person in a company made by his legal representative shall, even if the legal representative is not a holder thereof, be valid as if he had been the holder at the time of the execution of the instrument of transfer.

25. No transfer to minor

The Board shall not issue or register a transfer of any shares for a minor (except in case when they are fully paid) or insolvent or person of unsound mind.

BORROWING POWER

26. Borrowing power

Subject to the provisions of Sections 179 to 181 of the Act and of these Articles the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow funds from banks, and any financial institutions and secure the payment of any such sum.

PROVIDED THAT, to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, the company should take approval from members by passing special resolution in general meeting. Every special resolution passed by the company in general meeting in relation to the exercise of the borrowing powers shall specify the total amount up to which monies may be borrowed by the Board of Directors.

The Company shall accept public deposit, subject to the provisions of section 73 to 76 and others rules and regulation issued time to time for acceptance of deposits from members and others.

BUY-BACK OF SHARES

27. Buy-back of shares

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

MEETING OF MEMBERS

28. General meetings

All general meetings other than annual general meeting shall be called extra-ordinary general meeting. The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

29. Proceedings at general meetings

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.

Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

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

30. Adjournment of meeting

The Chairperson 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.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

31. Voting rights

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

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

- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

The Company shall follow provisions of section 110 of the act hence all transactions mentioned in the act shall be passed only by means of postal ballot. The Company shall appoint independent scrutinizer for determine the result of vote casted by postal ballot, e-voting and by poll.

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

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

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

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

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

32. Proxy

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised 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.

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

DIRECTORS

33. Number of Directors

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen.

34. First Directors of the Company,

The First Directors of the Company are:

Mr. Vinod Parmanand Arora

Mr. Ashish Virendrabhai Shah

35. Appointment of Investor Observer

DEG shall have the right to appoint an observer ("Observer") on meeting of the Board of Directors of the Company, who shall attend all the meetings of the directors without the right to vote or participate in the proceedings of such meeting.

Notwithstanding anything to the contrary contained in aforesaid DEG would only retain its right to appoint the Observer, (i) until such time DEG sells a part of the Shares held by it such that its shareholding in the Company

falls below 1,172,990 shares, which amounts to 4.99% of fully diluted post money share capital of the Company on the date of the transactions, or (ii) termination of Subscription Agreements.

36. Remuneration of Director & travelling Expenses etc

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

The Board may pay all expenses incurred in getting up and registering the company.

37. Register of members

The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

38. Power of signing of documents & negotiable instruments

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

39. Attendance register of meetings & committee

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.

THE BOARD

40. Procedure of Board and committee meetings

The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

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 directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. The Board may appoint Managing Director and executive director as a Chairman of the Board.

If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. 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.

A committee may elect a Chairperson of its meetings.

If no such Chairperson is elected, or if at any meeting the Chairperson 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 Chairperson of the meeting.

A committee may meet and adjourn as it thinks fit.

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 Chairperson shall have a second or casting vote.

All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be 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, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

41. Appointment of Alternate, additional and Nominee Director

Subject to the provisions of Section 161 the Board having power to appoint alternate, additional and nominee director.

42. Qualification of shares

A Director need not hold any qualification shares.

APPOINTMENT AND RESIGNATION OF DIRECTORS

43. Rotation and appointment of directors

Other than Managing directors and independent directors, (i.e. Managing directors and independent shall not be considered as rotational directors of the company) at every annual general meeting, not less than two-thirds of the total number of directors of the company shall—

- (i) be persons whose period of office is liable to determination by retirement of directors by rotation; and
- (ii) be appointed by the company in general meeting.
- (b) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (i) and (ii) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.
- (c) The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
- (d) At the annual general meeting at which a director retires as aforesaid, the company may fill up the vacancy by appointing the retiring director or some other person thereto.
- (d) If the vacancy of the retiring director is not so filled-up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
- (e) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meeting, unless—
 - (i) at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
 - (ii) the retiring director has, by a notice in writing addressed to the company or its Board of directors, expressed his unwillingness to be so re-appointed;

- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act.

44. Appointment of director elected by small shareholders

The company may have one director elected by such small shareholders in such manner and with such terms and conditions as may be prescribed in the act.

45. Right of persons other than retiring directors to stand for directorship

A person who is not a retiring director, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to the member, if the person proposed gets elected as a director or gets more than twenty five per cent. of total valid votes cast either on show of hands or on poll on such resolution.

46. Resignation of director

A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be prescribed and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company.

A director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation. The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND MANAGER

47. Managing Director, Whole-time Director and manager

The company shall not appoint or employ at the same time a managing director and a manager.

The company shall appoint or re-appoint any person as its managing director, whole-time director or manager for a term exceeding five years at a time:

Provided that no re-appointment shall be made earlier than one year before the expiry of his / her term.

The company shall not appoint or continue the employment of any person as managing director, whole-time director or manager who —

- (a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
- (c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
- (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

Subject to the provisions of section 197 and Schedule V, a managing director, whole-time director or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule:

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a director or directors in such appointments, if any:

Subject to the provisions of this Act, where an appointment of a managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.

Provided further that, the Managing Director or Whole-time Director or Executive directors, whatever name called shall not be eligible and counted for directors retire by rotation under Section 152 of the Act, i.e. the provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to independent directors, Managing Director or Whole-time Director or executive director whatever name call it by the Company. The Managing Director, Whole-time director and executive director shall be appointed as a Chairman of board and general meeting.

MINUTES

48. Minutes of proceedings of general meeting, meeting of Board of Directors and other meeting and resolutions passed by postal ballot.

- (1) The Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.
- (2) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (3) All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (4) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain—
 - (a) the names of the directors present at the meeting; and
 - (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.

49. Inspection of minute-books of general meeting

- (1) The books containing the minutes of the proceedings of any general meeting of a company or of a resolution passed by postal ballot, shall—
 - (a) be kept at the registered office of the company; and
 - (b) be open, during business hours, to the inspection by any member without charge after taking seven days previous appointment from concern department. The minutes shall open for inspection for two hours in business day.
- (2) Any member shall be entitled to be furnished extracts of the minutes, within seven working days after he has made a request in that behalf to the company and on payment of such fees as may be prescribed.

50. Maintenance and inspection of documents in electronic form

Under the provisions of the Act, the company shall maintain any document, record, register, minutes, etc in electronic form. Any member shall be entitled to inspect said document as per the procedure laid down in the act.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

51. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

Subject to the provisions of the Act,—

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

52. The Seal

- (i) The Board shall provide for the safe custody of the seal.
- (ii) 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 two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

53. Dividends and Reserve

The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of section 123, 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.

The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or 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 provision for meeting contingencies or for equalizing 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 shares of the company) as the Board may, from time to time, think fit.

The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

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 be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any 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 a particular date such share shall rank for dividend accordingly.

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of 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.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

No dividend shall bear interest against the company.

CAPITALIZATION OF PROFITS

54. Capitalization of profits

- (i) 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 clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
 - (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- (i) 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 if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
 - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (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 payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS AND AUDIT

55. Accounts

- (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) 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 authorised by the Board or by the company in general meeting.

56. Audit

Once at least in every year the accounts of the Company shall be examined, balance and audited and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors.

Auditors shall be appointed and their qualifications, remuneration, signing of audit report, rights and duties regulated in accordance with Sections 139 to 147 of the Act.

OTHER MISCELLANEOUS PROVISIONS

57. Service of documents

- (1) A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed.

Where securities are held with a depository, the records of the beneficial Ownership may be served by such depository on the company by means of electronic or other mode.

- (2) Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed.

A member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

58. Authentication of documents, proceedings and contracts.

Save as otherwise provided in this Act,—

- (a) a document or proceeding requiring authentication by a company; or
- (b) contracts made by or on behalf of a company,

may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

59. Register and documents

The Company shall keep and maintain Registers, Books and Documents required by the Act.

60. Winding up

Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- (i) 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.
- (ii) 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.
- (iii) 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 if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

61. Secrecy Clause

Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matter thereto and shall, by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of provisions in these presents contained.

62. No member to enter the premises of the Company without permission

No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

63. Indemnity

Every officer 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 judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

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

Names, addresses, Description and Occupation of Subscribers	No. of Equity Shares agreed to be taken by each Subscriber	Name, Address, Description Occupation & signature of Witness
<p>1. Ashish Shah S/o, Virendrabhai Bhogilal Shah 2, Jain Merchants Society, Paldi, Ahmedabad – 380 007. Business Sd/ - A.V. Shah</p>	<p>100 (One Hundred)</p>	<p>Common Witness to both</p> <p>Mukesh Chokshi S/o, Rasiklal Chokshi 1455, Toda's Pole, Sheth's Pole, Mandvi's Pole, Ahmadabad – 380 001.</p> <p>Chartered Accountant</p> <p>Sd/- Mukesh Chokshi</p>
<p>2. Vinod Arora S/o, Shri Parmanand Tekchand Arora, 20, 'Sarathi', Near Drive-In-Cinema, Ahmedabad – 380 052. Business Sd/- V.P. Arora</p>	<p>100 (One Hundred)</p>	
<p>Total :</p>	<p>200 (Two Hundred)</p>	

Place : Ahmadabad

Dated this 9th day of **March, 1988**

