

**THE COMPANIES ACT, 1956**  
**(COMPANY LIMITED BY SHARES)**

**Memorandum of Association**

**OF**

**SARTHAK GLOBAL LIMITED**

- I. The Name of the Company is **SARTHAK GLOBAL LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Madhya Pradesh.
- III. The objects for which the Company is established are:
  - (A) **THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
    1. To carry on the business of an investment Company and to underwrite, sub-underwrite to invest in, and acquire and hold, sell, buy; or otherwise deal in shares, debentures, debenture-stock, bonds, units, obligations and securities issued or guaranteed by Indian or Foreign Governments, States, or Public Authorities or bodies and shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any company, corporation, firm or person whether incorporated or established in India or elsewhere.
    2. To acquire, promote, establish and carry on business of manufacturers, importers, exporters, traders, dealers and processing of high protein soybean meal, high protein foods, soyafLOUR, soyameal, textured proteins, protein-concentrates, protein isolates, lecithin, glycerine, emulsifiers, oil (vanaspati), edible and non-edible oils, margarine, peanut butter, peanut milk, from or out of cottonseeds, castor, linseed, sunflower, soyabean, ricebran, ground nut and other types of edible and non-edible oils-seeds, and vegetable seeds together with the business of manufacturers, importers, exporters, traders, dealers and processing of Petroleum products, Dairy products, Iron & Steel and Plant & Machinery.

**B. OBJECTS INCIDENTAL OR ANCILLARY TO THE TO THE ATTAINMENT OF THE MAIN OBJECTS:**

3. To take part in the formation, supervision or control of the business or operations of any company or undertaking and for the purpose to act as Issue House Registrars and Share Transfer Agents, Financial Advisors or Technical Consultants or in any other capacity and to appoint and remunerate any Directors, Administrators or Accountants or other Experts or Agents.
4. Subject to the directives of RBI to receive money on deposit at interest or otherwise for fixed periods, and to lend money on any terms that may be thought fit to customers or other person or corporation having dealings with the Company. The Company shall not carry on any business of banking as defined by the Banking Regulation Act, 1949, or any statutory modifications thereof.
5. To provide intermediary broking and advisory services in the area of finance.
6. To carry on the business of factoring or any other form of financing of consumer credit.
7. To do all acts and perform all functions falling within the description of "Merchant Banking" and/or "Investment Banking" as is known in business and industrial circles, other than "Banking" as defined in the Banking Regulations Act, 1949.
8. To enter into agreement, contract or undertake or otherwise arrange for receiving mailing or forwarding any circulars, notices reports, brochures, materials, articles and things belonging to any other company, firm, institution or person or persons by means of delivery by hand, post, railway or otherwise.
9. To negotiate loans, to draw, accept, endorse, discount, buy, sell, and deal in bills of exchange, promissory notes, bonds, debentures coupons and other negotiable instruments and securities.
10. Subject to the Directives of RBI to receive money, securities and valuables of all kinds of deposit at interests or for custody on such terms and conditions as may be expedient.
11. To give any guarantee or indemnity for the payment of money or the performance of any obligation or undertaking.
12. To undertake and execute any trusts.
13. To carry on and undertake any business undertaking, transactions, or operation commonly carried on or undertaken by promoters, financiers concessionaries or contractors.
14. To act as Agents of manufacturing companies, Insurance Agents, Publicity, Advertising Agents and also to provide specialised services in Investor Relations relating to the above object.

15. To borrow or raise money and secure discharge any debt or obligation or binding on the Company in such manner as may be thought fit, and in particular by mortgage of the undertaking and all or any of the immovable or movable property (present or future) and the uncalled capital of the Company or by the creation and issue, on such terms as may be thought expedient, of debentures, or debenture-stock, perpetual or other securities of any description, subject to the provisions of 2 Section 58A and directives of RBI.
16. To employ experts, to investigate and examine into the condition, prospects, value, character and circumstance of any business concerns and undertaking and generally of any property or rights.
17. To give any guarantee or to provide any indemnity in relation to the payment of any debenture, debenture-stocks, bonds, contractual obligations or securities and to guarantee payment of interest there on or of dividends on any stock or shares of the Company or a subsidiary Company or Companies in which the directors of this Company are interested or of any other Company.
18. To purchase, take on lease or to exchange hire or otherwise acquire any immovable or moveable property, patents, licences, rights, and privileges which the Company may think necessary or convenient for the purpose of its business and to pay for same either in cash or in shares or securities and to sell, let, lease or under lease or otherwise dispose of or grant rights over any immovable property belonging to the Company.
19. To purchase or otherwise acquire, erect, maintain or reconstruct any buildings, offices, workshops, mills, plant, machinery and other things found necessary or convenient for the purpose of the Company.
20. To manage land, buildings and other property both movable and immovable whether belonging to the company or not and to collect rents and income and to supply to tenants and occupiers, attendants, servants, waiting rooms, reading rooms and other conveniences.
21. To develop and turn to account any land acquired by the Company or in which it is interested and in particular by laying on and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up, and improving buildings, and by planting, paying, draining, farming, cultivating, and letting on building lease or buildings agreement and by advancing money to and entering into contracts and arrangement of all kinds with builders and others.
22. To undertake and execute the offices of Executor of the will of any deceased persons, Administrators of deceased person, trustee for debentureholders or debenture-stock holders of any Company and of Receiver Treasurer, and to appoint trustee to hold securities on behalf and to protect the interests of the company.

23. To accept gifts, bequests or donations of any movable or immovable property or any rights or interest from members or others.
24. To open current or other accounts with any banks or merchants to pay money into and draw money from such accounts.
25. To amalgamate with any other similar Company or Companies.
26. To distribute any of the Company's property among the members in specie subject to the provisions of Companies Act, in the event of winding up.
27. To provide for the welfare of the employees or ex-employees of the Company and wives, widows and families or the dependants of such persons by grant of money, pension; allowance, bonus or other payments or by creating and from time to time subscribing or contributing to provident funds and other associations, institutions, trusts and by providing or subscribing towards medical or other attendance and other assistance as the Company shall think fit and to subscribe to or to contribute or otherwise assist to charitable, benevolent, national and or other institutions or objects.
28. To pay all costs, charges and expenses incurred or sustained in or about the promotion, incorporation and establishment of the Company or which the Company shall consider to be preliminary out of the funds of this Company.
29. To establish competitions in respect of contributions or information suitable for insertion in any publications of the Company or otherwise for any of the purposes of the Company, and to offer and grant prizes, rewards and premium of such character and on such terms as may seem expedient.
30. To provide for and furnish or secure to any members or customers of the company or to any subscriber to or purchasers or possessors, of any publication of the Company, or of any coupons or tickets, issued with any publications of the Company, any convenience advantages, benefits or special privileges which may seem expedient and either gratuitously or otherwise.
31. To establish or promote or concern in establishing or promoting either in its own name or in partnership or jointly with other Companies for any purpose which may seem directly or indirectly calculated to benefit the Company.
32. To refer to or agree to refer any claims, demand, dispute or any other question by or against the Company or in which the Company is interested or concerned and whether between the Company and the member or members or his their representatives or between the Company and third parties or arbitration and to observe and perform and to do all acts, matters and things to carry out or enforce the awards.
33. To act as financial consultants, management consultants, and, provides advice, service, consultancy in various fields, general administrative commercial, financial, legal, economic, labour, industrial, public relations, scientific technical, direct and indirect taxation and other levies, statistical, accountancy, quality control and processing.

34. To act as managers to public issue of other Companies to act as investment advisers, financial advisers, to individuals or Companies or advise on portfolio management to Corporations, Companies or individuals.
35. To do the business of hire-purchase finance or leasing of all durable industrial and commercial goods and vehicles of all description, machinery, equipment, tools and instruments of all descriptions, refrigerators, air-conditioners, washing machines and other equipment of personal use or otherwise, television and all types of electronic devices and equipment, and all types of electronic, residential and industrial buildings.
36. To invest and/or promote and/or finance and/or establish in its own name or as a holding company or in partnership with others all types of manufacturing and service business including Factoring Companies Leasing Companies, Tourist industry, shipping, Commercial Aviation, Hoteliering, Finishing all types of Engineering Contracting, Plastic, House Building, Chemical, Fertilizers and Agro Based Industries, Engineering Industries and to render consultancy service in the areas of Science & Technology, Management, Finance, Taxation, Efficiency Audit and personnel and also to finance other financing Institutions.
37. To function as an investment and finance Company and to invest and/or finance and/or promote and/or establish in its own name or as a holding company.
38. To finance industrial enterprises and to promote companies engaged in industrial and trading business.
39. To carry on the business of a leasing and hire purchase finance company and to acquire to provide on lease or to provide on hire purchase basis all types of industrial and office plant equipment, machine, vehicles, buildings and real estate required for Manufacturing, Processing, Transportation and trading business and other commercial and service business.

### **C. OTHER OBJECTS:**

40. To carry on business of Travel Agency and to act as tourist agents and contractors, and to facilitate travellings, and to provide for tourists and travellers, or promote the provisions of convenience of all kinds.
41. To transact, to carry on all kinds of agency business and in particular in relation to the sale of property and the collection and receipt of money.
42. To carry on the business of manufacturing processing, buying, selling and dealing in all kinds of cement.
43. (a) To generate, develop, accumulate, distribute, buy, safe, transmit or otherwise deal in conventional and non-conventional sources of energy and to install and operate such power generation plants any where in India and abroad.

- (b) To establish centers for research, development and innovations in the field of power generation, production, distribution, by conventional and non-conventional sources of energy.
  - (c) To give consultancy services of all kinds for erection, omission and operation of conventional and non-conventional power plants/projects including revamping and modernization of all existing plants and matter related thereto.
44. To carry on all or any of the business of manufacturers, buyers, sales and distributing agents of and dealers in all kind of patent, pharmaceutical, medicinal preparations, patent medicines, drugs, herbs, perfumes, creams, hair dressings, dyes, cosmetics, skin preparations, soaps, oils, beauty specialities, preparations and accessories of every descriptions.
- IV. The liability of the members is limited
- V. The authorised share capital of the company is Rs. 3,50,00,000/- (Rupees Three crore fifty lacs) divided into 35,00,000 (Thirty Five Lakh) equity share of Rs. 10/- (Rs. Ten) each. The Company shall have the power to increase or reduce the capital and to divide the share in to capital.

We, the several persons, whose names and addresses are hereinto subscribed, are desirous of being named into a Limited 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.

S. No.	Names, Addresses, Descriptions and Occupation of the Subscribers	No. of Equity Shares taken (in words and figures)	Signature of the Subscribers	Signature, Name, addresses, description and occupation of witness.
1	AMRATBHAI S/o Chhotu Bhai Patel 12/8, New Palasia, INDORE (M. P.) Industrialist	10 (Ten)	Sd/-	
2	VINAY HIRDE S/o Vasant B. Hirde 38/B, Sainath Colony, INDORE (M. P.) Service	10 (Ten)	Sd/-	Sd/- ( RIYAJ AHMED CHANDUR WALA ) 46, Saify Nagar, INDORE (M. P.)
Total No. of Equity Shares taken		20 (Twenty) Equity Shares		

INDORE  
Dated : 18-4-85

Authorised Representative  
Sd/-  
( Nitin Khandbe )

**THE COMPANIES ACT, 1956**  
**( COMPANY LIMITED BY SHARES)**

**Articles of Association**

**OF**

**SARTHAK GLOBAL LIMITED**

1. (a) The Regulation Contained in Table 'A' of Schedule 1 of the Act shall apply in so far as and to the extent they are not inconsistent with any of the provisions in these Articles. Regulations in Table 'A' to apply.
- (b) Wherever in the said Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only, if the Company is so authorised by its Articles then, and in that case this regulation hereby authorised and empowers the Company to have such right, privilege, authority and to carry such transaction as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.
2. In the interpretation of these Articles the following expression shall, unless repugnant to the subject or context, have the meanings hereby respectively assigned to them. Interpretation Clause
  - (a) "The Company" means SARTHAK GLOBAL LIMITED. The Company.
  - (b) "The Act" means the Companies Act, 1956 (1 of. 1956) or any statutory modification or re-enactment thereof for the time being in force. The Act.
  - (c) "The Articles" means the Articles of Association of the Company, including the amendments made thereto from , time to time. Articles.
  - (d) "Auditors" means and includes those persons appointed as such for the time being of the Company. Auditors.
  - (e) "Board" or "Board of Directors" means Board of Directors of the Company, duly constituted, consisting of the Directors collectively and also includes a meeting of the Board duly called and constituted: or as the case may be the -Directors assembled at the Board or the requisite number of Directors entitled to pass a circular resolution in accordance with the, Articles or the Directors of the Company collectively. Board or Board of Directors.
  - (f) "Capital" means the capital for the time being raised, or authorised to be raised for the purpose of1the Company. Capital.
  - (g) "Debentures" Includes debenture stock, bonds and any other securities of the: Company or any other Company, as the case may be. Debenture.
  - (h) "Directors" means the Director or Directors, as the case may be, for the time being of the Company. Directors.
  - (i) "Dividend" includes bonus. Dividend.

- (j) "Document" include summons, notice, requisition, order, other legal process and registers, whether issued, sent or kept in pursuance of the Act or any other law or these Articles or otherwise. Documents.
- (k) "Executor" or "Administrator" means a person, who has obtained probate or letters of administration. as the case may be, from a competent court. Executor or Administrator.
- (l) "In writing" and "written" include printing lithography and other modes of representing, or reproducing words in a visible form. Executor and written.
- (m) "Member" or "Members" means the duly registered holders, from time to time, of the shares in the Company and includes the subscribers, to the Memorandum and Articles. Members.
- (n) "Memorandum" means the Memorandum of Association of the Company. Memorandum.
- (o) "Meeting" or "General Meeting" means a General Meeting of the Members and any adjourned holding thereof. Meeting or General Meeting
- (p) "Annual General Meeting" means a General Meeting held in accordance with the provisions of Section 166 of the Act. Annual General Meeting.
- (q) "Extra-ordinary General Meeting" means an Extraordinary General Meeting, duly called and constituted and any adjourned holding thereof. Extra-ordinary General Meeting.
- (r) "Month" means a calendar month. Month.
- (s) "Office" means the Registered Office for the time being of the Company. Office.
- (t) "Paid-up" includes credited as paid up. Paid-up.
- (u) "Promotor(s)" means promotor of the company and may include Individuals, Bodies Corporate, Corporations and Directors. Promoters.
- (v) "Proxy" means an instrument whereby any person is authorised to vote for a Member at the General Meeting on a poll. Proxy.
- (w) "The Register of Member" means the Register of Member to be kept pursuant to Section 150 of the Act. Register of Members.
- (x) "The Registrar" means the Registrar of Companies having jurisdiction in the area in which the office of the Company is, for the time being, situate. The Register.
- (y) "Secretary" means an individual appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties and includes a deputy or assistant Secretary. Secretary.
- (z) "Seal" means the common seal for the time being of the Company. Seal.
- (aa) "Shares" means the shares or stocks into which the capital in the Company is divided and the interest corresponding with such charges or stocks except where a distinction between stocks and shares is expressed or implied. Shares.

- (ab) "Year" means calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act. Year and Financial year.
- (ac) A reference in the Articles to any specific provision of the Act shall be deemed to include a reference to any other applicable provision of the Act. References to provisions of the Act.
- (ad) Words importing the masculine gender also include the feminine gender. Gender.
- (ae) Words importing the singular number include where the context admits or requires, the plural number and vice versa. Singular Number.
- (af) The marginal notes and catch lines hereto shall not affect the construction hereof. Marginal Notes and catch lines.
- (ag) Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with subject or context, bear the same meaning in these Articles. Words defined in the Act.

### SHARES

3. The Authorised Share capital of the company is Rs. 3,50,00,000/- (Three Crore Fifty Lacs) divided into 35,00,000 (Thirtyfive Lacs) equity shares of Rs. 10/- (Rs. Ten) each with power for the company to increase or reduce the said capital and to issue any parts of its capital original or increased with or without any preference priority or special privilege or subject to any postponement of right or to any conditions restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of share whether declared to be preference or otherwise shall be subject to the power hereinafter contained. The rights of the holders of any class of share for the time being forming part of the capital of the company may be modified affected, varied, extended or surrendered either with the consent in writing of the holders of three fourth of the shares of the class or with sanction of special resolution of the members of the class provided by the Articles of Association or as altered by special resolution. Authorised Capital.
4. Subject to the provisions of the Act and these Articles, Shares (whether forming part of the original capital or of any increased capital of the company) may be issued either with the saection of the company in general meeting or by the Board, as the case may be with such rights and privileges annexed thereto and upon such terms and conditions as by the General Meeting or by the Board as case may be, sanctioning the issue of such shares be directed and, if on such direction be given and in all other cases, as the Board shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in distribu- Issue of Capital.

tion of assets of the Company, without prejudice, however, to any rights and privileges already conferred on the holders of any shares or class of shares for the time being issued by the Company.

5. The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting shall, resolving upon the creation direct and if no direction be given, as the directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meetings of the Company in conformity with Sections 87 and 88 of the Act.

**Increase of Capital by the company and how carried into effect.**

(2) Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

6. Except so far as otherwise provided by the condition of issue or by these presents, 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 payments of calls and instalments, forfeiture lien, surrender, transfer and transmission, voting or otherwise.

**New Capital same as existing capital.**

1. Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital.

**Further issue of capital.**

- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Capital paid-up on those shares at that date;
- (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have declined;
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the

share offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right; Provided that the Board may decline, without assigning any reason, to allot any shares to any person in whose favour a member may renounce the shares offered to him;

(d) After the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose them in such manner as they think most beneficial to the Company.

(2) Notwithstanding anything contained in clause (1) hereof, the further shares aforesaid may be offered to any persons whether or not those persons include the persons referred to in sub-clause (a) of clause (1) hereof in any manner whatsoever :

(a) If a special resolution to that effect is passed by the Company in General Meeting or

(b) Where no such special resolution is passed if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by Members, so entitled and voting and the Central Government is satisfied on an application made by the Board in this behalf, that the proposal is most beneficial to the Company.

(3) Nothing in sub-clause (c) of clause (1) hereof shall be deemed :—

(a) To extent the time within which the offer should be accepted; or

(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

8. Nothing in these Articles shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company;

Conversion of loans/  
debentures into  
shares.

- (i) to convert such debentures or loans into shares in the Company, or
- (ii) to subscribe for shares in the Company provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term :
  - (a) either has been approved by the Central Government before the issue of the debentures or the raising of loans, or is in conformity with the rules, if any, made by that Government in this behalf; and
  - (b) in the case of the debentures or loans other than debentures issued to or loans obtained from, the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans.

9. (i) Notwithstanding anything contained in these Articles where the Central Government has, by an order made under sub-section (4) of Section 81, directed that any debenture or loan or any part thereof shall be converted into shares in the Company, the conditions contained in the Memorandum of the Company shall, where such order has the effect of increasing the nominal share capital of the Company, stand altered and the nominal share capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debenture or loans or part thereof has been converted.

Share Capital to stand increased where an order is made under Section 81 (4).

(ii) Where, in pursuance of an option attached to debenture issued or loans raised by the Company, any Public Financial Institution proposes to convert such debenture or loans into shares in the Company, the Central Government on the application of such Public Finance Institution, by an order made under Sub-section (4) of Section 81 directs that such debentures or loans shall be converted into shares in the Company the conditions contained in the Memorandum of such Company shall, where such order has the effect of increasing the nominal Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.

10. (1) Where the Company issues shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these shares shall be transferred to an account called "THE SHARE PREMIUM ACCOUNT" and the provisions of the Act relating to the reduction of the shares capital of the Company shall ex-

Application of premium received on shares.

cept as provided in this clause, apply as if the Shares Premium Account were paid-up share capital of the Company.

(2) The Share Premium Account may, notwithstanding clause (i) hereof, be applied by the Company:

- (a) in paying up unissued shares of the Company, to be issued to the members as duly 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 in, or debentures of the Company, or
- (c) in providing for the premium payable on the redemption of any redeemable Preference Shares in or of any debentures of the Company.

11. The Company may (subject to the provisions of Sections 78, 80 and 100 to 105, inclusive of the Act, from time to time by special Resolution, reduce its capital and any Capital Redemption Reserve Account or share Premium Account in any manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article shall not derogate from any power the Company would have, if it were omitted.

Reduction of capital

11A. Notwithstanding anything contained in these Articles, the Board of Directors may, when and if thought fit, buy-back such of the Company's own's shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and in accordance with the provisions of Section 77A, 77AA and 77B of the Act or any statutory modifications thereto and such other regulations and guidelines as may be issued in this regard.

Buy Back of shares

12. (1) Subject to the provisions of Section 94 of the Act, the Company in General Meeting may, from time to time, alter the conditions of its Memorandum for all or any of the following purposes.

Consolidation, division sub-division and cancellation of Shares

- (a) To consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (b) To sub-divide its shares, or any of them into shares of small amount than is fixed by the memorandum, so however that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) To cancel ant 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 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,

(2) Wherever the Company shall do any one or more of the things provided for in the foregoing sub- clause (a), (b)

and (c), the Company shall, within thirty days thereafter give notice thereof to the Registrar as required by Section 95 of the Act specifying, as the case may be, the shares consolidated, divided, sub-divided or cancelled.

13. (a) Whenever the capital, by reason of the issue of Preference shares, or otherwise, divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with by the Company with the consent in writing of the holders of not less than threefourths of the issued capital of that class of which the sanction of special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter 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 were omitted.

Modification of rights of shareholders.

(2) 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 or issue of further shares ranking pari passu therewith.

14. The Company may issue at a discount shares in the Company of a class already issued, if the following conditions are fulfilled, namely :

Shares at a discount.

- (i) The issued of the shares at a discount is authorised by a resolution passed by the Company in General Meeting and sanctioned by the Company Law Board;
- (ii) The resolution specifying the maximum rate of discount (not exceeding 10 percent or such higher percentage as the Central Government may permit in any special case) which the shares are to be issued; and
- (iii) The shares to be issued at a discount are issued within two months after the date on which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.

#### SHARES AND CERTIFICATES

15. Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the company) in the capital shall be under the control of the Board of Directors who may allot or otherwise dispose off the same to such persons on such terms and

Shares under control of Board of Directors.

conditions and at such time as the Board of Directors think fit and with full power 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 Section 79 of the Act) at a discount and for such time and for such consideration as the Board of Directors think fit. Option or right to call of shares shall not be given to any person or persons without the sanction of the company in general meeting.

16. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the company as payment or part payment for any property or assets of any kind whatsoever sold or transferred goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the company, or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up shares as aforesaid. Directors may allot any shares as fully paid up.
17. In addition to and without derogating from the powers for that purpose conferred on the Board under Article 15, the Company in General Meeting may, Subject to the provisions of Section 81 of the Act, determine that any shares (Whether forming part of the original capital or of any increased capital of the Company) be offered to such person (Whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (Subject to compliance with the provisions of Section 78 and 79 of the Act) as such General Meeting shall determine and with full power to give any person, whether a member or not the option to call or be allotted shares of any class of the shares either at a premium or at par or at a discount (subject to compliance with the provisions of Section 78 and 79 of the Act) such option being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares. Power also to Company in General Meeting to issue shares.
18. Subject to the provision of Section 80 of the Act, the Company shall have the power to issue preference Shares which are, or at the option of the Company, are to be liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption. Redeemable Preference Shares.
19. (a) The Cumulative Redeemable Preference Shares (hereinafter called "Preference Shares" shall unless the terms of issue thereof otherwise provide, subject as hereunder provided, confer on the holders thereof the following rights and privileges, that is to say :
- (i) The right to a Cumulative Preferential dividend at such rate as may be prescribed by the terms of issue
- Rights of the Act and privileges of Preference Shareholders.

of such shares, on the share capital for the time being paid-up thereon, free of Company's Income-Tax, but subject to deduction of taxes at source at the rate or rates prescribed from time to time;

- (ii) The right in the event of winding up to payment of such capital and arrears of dividend, whether earned, accrued, declared or not, down to the commencement of the winding up, in priority to the Equity Shares but shall not confer any further right to participate in profits or assets.
- (b) Subject to the provisions of Section 80 of the Act and unless otherwise determined by the terms of the issue thereof, the following provisions shall apply in regard to the redemption, either in full or in part of the Preference Shares :
- (i) The Company may, at any time after 5 years but in any event not later than 15 years from the date of allotment of, the shares, apply any profits or moneys of the Company which may be lawfully applied for the purpose in the redemption, either in full or in part of the preference Shares at par, together with a sum equal to arrears of the dividend thereon down to the date of redemption.
  - (ii) In the case of any partial redemption under clause (b) (i) of this Article, the Company shall for the purpose of ascertaining the particular shares to be redeemed, cause a drawing to be made at the Registered Office of the Company or at such other places the Directors may decide, in the presence of a representative of the Auditors.
  - (iii) Forthwith after every such drawing, the Company shall give to the holders of the shares drawn for redemption, a notice in writing of the Company as intention to redeem the same, fixing a time (not less than three months thereafter) and the place for the redemption and surrender of the shares to be redeemed;
  - (iv) At the time and place so fixed each holder shall be bound to surrender to the Company the Certificate for his shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption and where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue free of charge, the holders thereof a fresh certificate therefor.
  - (v) Any of the Preference Shares not previously redeemed under the foregoing provisions shall, unless the terms