

**GOVERNMENT OF INDIA
MINISTRY OF COMPANY AFFAIRS**

Maharashtra, Mumbai

Everest, 100, Marine Road, Mumbai - 400002, Maharashtra, INDIA

Corporate Identity Number : U92142MH2002PLC135964

**Fresh Certificate of Incorporation Consequent upon
Change of Name**

IN THE MATTER OF M/s CINEMAX CINEMAS (INDIA) LIMITED.

I hereby certify that CINEMAX CINEMAS (INDIA) LIMITED which was originally incorporated on TWENTY SECOND day of MAY TWO THOUSAND TWO under the Companies Act, 1956 (No. 1 of 1956) as CINELINE ENTERTAINMENT (INDIA) PRIVATE LIMITED, having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A01588284 dated 27/07/2006 the name of the said company is this day changed to Cinemax India Limited and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Mumbai this TWENTY SEVENTH day of JULY TWO THOUSAND SIX



(Signature)
(MILIND VITTHALRAO
CHAKRANARAYAN)
Maharashtra, Mumbai

By
Addl. Registrar of Companies
Mumbai.

For CINEMAX INDIA LTD.

(Signature)
Authorised Signatory

GOVERNMENT OF INDIA
MINISTRY OF COMPANY AFFAIRS

Maharashtra, Mumbai

Everest, 100, Marine Road, Mumbai - 400002, Maharashtra, INDIA

Corporate Identity Number: U02142MH2002PLC135964

**Fresh Certificate of Incorporation Consequent upon Change of
Name on Conversion to Public Limited Company**

IN THE MATTER OF M/s CINEMAX CINEMAS (INDIA) PRIVATE LIMITED

I hereby certify that CINEMAX CINEMAS (INDIA) PRIVATE LIMITED which was originally incorporated on TWENTY SECOND day of MAY TWO THOUSAND TWO under the Companies Act, 1956 (No. 1 of 1956) as CINELINE ENTERTAINMENT (INDIA) PRIVATE LIMITED, having duly passed the necessary resolution on 12/06/2006 in terms of Section 31/ 21 read with Section 44 of the Companies Act, 1956, the name of the said company is this day changed to CINEMAX CINEMAS (INDIA) LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Mumbai this TWENTY SEVENTH day of JULY TWO THOUSAND SIX.



(Signature)
Dy. Registrar of Companies
Maharashtra, Mumbai

No. 11. 135964

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
MUMBAI.**

In the matter of CINELINE ENTERTAINMENT (INDIA)
PRIVATE LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from CINELINE ENTERTAINMENT (INDIA) PRIVATE LIMITED
to CINEMAX CINEMAS (INDIA) PRIVATE LIMITED

and I hereby certify that CINELINE ENTERTAINMENT (INDIA) PRIVATE LIMITED

which was originally incorporated on 22nd day of MAY 2002 under the Companies Act, 1956 and under the name CINELINE ENTERTAINMENT (INDIA) PRIVATE LIMITED having duly passed the necessary resolution in terms of section 21/22/(1) (a)/22(1) (b) of the Companies Act, 1956 the name of the said Company is this day changed to CINEMAX CINEMAS (INDIA) PRIVATE LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at MUMBAI this 3rd

one thousand nine hundred

(1995) 31/01

Registrar of Companies

MUMBAI.





राज्य. म. सं. म. सं.

Form I.R.

निम्नर का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

U 92142 MH 2002 PTC 135964

रा. _____ की सं. _____

No. _____ of Date _____

इ प्रमाणपत्र प्रमाणित करता है कि आज _____

कम्पनी अधिनियम (1956 का सं. 1) के अधीन निम्नलिखित की गई है जो कि प्रायः निम्नलिखित है।

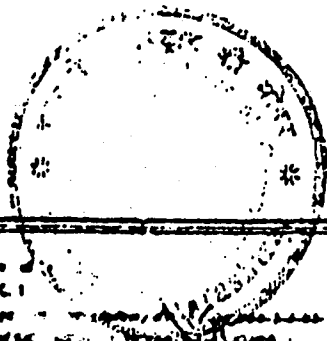
I hereby certify that CINELINE ENTERTAINMENT (INDIA) PRIVATE
LIMITED

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

ये प्रमाणपत्र मे आज रा. _____ की दिनांक _____

Given under my hand at MUMBAI this TWENTYSECOND

day of MAY Two Thousand TWO



(H.A.SOJ)

अधिकांश का अधिकारी

ASST Registrar of Companies
Maharashtra, Mumbai

2002 PTC 135964

For CINEMAX INDIA LTD.

Authorised Signatory

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
CINEMAX INDIA LIMITED

- I. The name of the Company is **CINEMAX INDIA LIMITED**.
- II. The Registered office of the Company will be situated in the State of Maharashtra i.e. within the jurisdiction of Registrar of Companies Maharashtra, at Mumbai.
- III. †The object for held are:

(A) **THE MAIN OBJECT OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION.**

To carry on, in any part of the world, the business of building, developing, owning and operating multiplex theatres, entertainment centers, hotels, restaurants, health centers, art galleries, malls, shopping complexes, exhibition centers, family entertainment centers, gaming parlors, bowling gallery, pool parlors, cyber café, other commercial single or multistoried buildings or works of any such description on any land, free-hold or lease hold or otherwise, as principals, agents, trustees or otherwise, either alone or in conjunction with others and by or through agents, sub-contractors, trustees or otherwise and deal in all kinds of immovable properties, including but not limited to land, and to sell, lease, rent, grant licenses, easements and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and all other effects of the Company, or any part thereof and to do all such acts and things incidental or in the opinion of the Company conducive to the attainment of any or all of the aforesaid objectives.

(B) **OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS**

1. To carry business of cinematograph trade and industry in all its branches as producers, Distributors, Exhibitors and all its kindered trades and business including photography, Radio, Television, solely jointly or in conjunction with other individuals, firms or companies.
2. To carry on any of the business of Theatres cinema, musical, concert hall, ball room and restaurants. To acts as proprietors, keepers, caterers and general publishers, printers and decorators, theatrical and musical agents, for public and private amusements and entertainments of every description and in particular to provide for exhibition of biographic cinematic and other motion and sound motion picture and photography and the promotion, provision, production, representation and performance of stage, play, promenade and other concerts lectures, public meeting and injuring displays of every description of musical dramatic and variety performance and other public and private entertainment of any kind whatsoever and for the purpose of entering in to agreements with authors and other persons.
3. To conduct and carry on the business of exhibitors of biograph, cinema color and cinematograph, pictures, cartoons, slides and pictures projected on screens by any of the methods prevalent in cinema industry or by television to purchase, take on lease or hire, on percentage or other basis pictures, films, cartoons, reels, for exhibitions, and to produce, present and exhibit at any theatres, places of amusements and entertainments such cinema films pictures.
4. To carry on the business of producers of films cartoons and slides for entertainment, amusement publicity, education, and instruction of any business or industry which may hereafter be deemed to be an improvement upon or replacement in part or wholly of film industry.
5. To carry on the business of dealers in cinematographic films, machinery, chemicals, plate, raw materials and other articles and things of all kinds and description whatsoever connected with cinematography, photography radios, television and other traders and to make, import, sell or otherwise deal in all the said articles and things.
6. To carry on business of warehousing and godown keepers for storage and stockings of films, chemicals and cinema and other accessories.

† Object Clause was amended at the General Meeting held on 12-06-2006.

7. To purchase, construct, take on lease exchange or otherwise acquire purchase at auction, hire sell or sell on hire purchase system exchange, mortgage pledge, dispose of or otherwise seal in any moveable or immovable property or rights loan on mortgage of any buildings, house, bungalow, factories, trade premises, plants, or any kind of assets of property or deal as brokers and commission agents thereof.
8. To purchase, buy or acquire copyrights, performing rights and other rights in stories, dramas, plays, pictures, and other writings including the rights of adaptation and cinematographic representation thereof and to enter into agreement with authors, scenarios, writers and other persons for the aforesaid purpose.
9. To purchase or otherwise acquire, export, hold, use, sell, mortgage, lease, hire, dispose of, deal in and turn to account whether a principal or as agents or in partnership with others in all kinds of motion pictures and photoplays and license for the production thereof and all trade-marks, copy-rights, performing rights and other rights in any way necessary or incidental thereto and all literary, musical and dramatic composition on which they are based or from which they are derived, adopted, adapted or extracted and recording and reproducing equipments and accessories relating thereto and all plant and machinery and apparatus needed or used in connecting with any of the above mentioned business.
10. To buy, sell, stock, store, repair, manipulate, import export and deal both wholesale and retail in commodities, substances, apparatus, articles and things whether manufactured either in whole or part by the Company or not and all other articles and things and things of all kinds capable of being used or traded in or which can conveniently be dealt in by the Company in connection with any of its objects.
11. To acquire, possess, occupy, own and to construct, carry out, maintain, improve, manage, work, control and superintend any buildings, foundries, factories, workshops, warehouse, wharves, shops and other works and conveniences which may be seen directly or indirectly conducive to any of the Company's objects.
12. To acquire, improve, manage, work, develop, exercise all kinds and in particular land buildings, concessions, patents business concerns and undertakings.
13. To enter into any arrangement with any authorities government, municipal, public, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority any rights, privileges and concession which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concession.
14. To erect and construct by the Company or through other parties house, building or works of every description on any land of the Company or upon any other lands and to pull down rebuild, enlarge, alter and improve existing houses, building, or works thereon, to convert and appropriate any such lands into and for roads, streets, squares, gardens and pleasure grounds and generally to deal with and improve the property of the Company.
15. To purchase, take on lease or in exchange hire or otherwise and to improve and turn to account any immovable or movable property, patents, licences, rights or privileges which the Company may think necessary or convenient for the purpose of its business.
16. To sell, lease, mortgage, turn to account or otherwise deal with all and any of the immovable property and rights and privileges of the Company.
17. To lend money and negotiate loans, to receive money with or without securities and allowance of interest therein provided that the Company shall not carry on the business of banking as defined by Banking Regulation Act, 1949.
18. To draw, accept, endorse, discount, buy, sell, and deal in bills of exchange, promissory notes, bonds, debentures, coupons and other negotiable instruments and securities.
19. To issue on commission, subscribe for, take, acquire, hold, sell, exchange and deal in shares and stocks, bonds, obligations or securities of any Government, local authority or Company.
20. To form, promote, subsidise and assist companies, syndicates and firms of all kinds.
21. To give any guarantee for the payment of money or the performance of any obligation or undertaking.
22. To undertake and execute any trust.
23. To borrow or raise money other than public deposits by the issue of debenture or debentures stock (perpetual or otherwise) bonds; mortgages or any other securities or in such other manner as the Company shall think fit and for the purpose aforesaid to mortgagees or charge all or any of the Company's property or assets present or future,

including its uncalled capital and collaterally or further secure any securities of the Company by trust deed or other assurances.

24. To invest and deal with the money of the Company not immediately required in such investments or securities including the shares of Companies as from time to time as may be determined.
25. To make advance upon, hold, instruct, issue on commission, sell or dispose of any of the investments aforesaid and to act as agent for any of the above or like purposes.
26. To carry on any other business of similar nature or any business which in the opinion of the Directors can be conveniently carried on by this Company and carry on commission agency business of any description in any line whatsoever.
27. To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company or which the Company shall consider to be in the nature of preliminary expenses.
28. To purchase or otherwise acquire and hold shares in any other company having objects similar to those of this Company or carrying on business capable of being conducted so as directly or indirectly calculated to benefit this Company.
29. To enter into partnership or any other arrangement for sharing profits, union of interest co-operation reciprocal concession or otherwise with any persons, firms or company or corporation carrying on or engage in any business transaction which the Company is authorised to carry on or conduct or which is capable of being conducted so as directly or indirectly to benefit this Company.
30. To promote any company or companies for the purpose of acquiring or selling all or any of the undertaking, property and liabilities of this company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
31. To establish and conduct agencies and branches and to regulate and discontinue the same.
32. To remunerate any person or company for services rendered in assisting in or about the formation or promotion of the Company or the conduct of its business.

(C) OTHER OBJECTIVES ARE:

33. To sell or dispose of the undertaking of the Company or any part thereof in such manner and for such consideration as they may think fit and in particular for shares (fully or partly paid up) debentures, debenture stock or securities of any other Company whether promoted by this Company or not and to improve manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
34. To erect, construct, lay down, enlarge, alter and maintain any buildings, works and machinery necessary or convenient for the Company's business.
35. To grant pensions, allowances, gratuities, and bonuses to employees or ex-employees of the Company or its predecessors in business or the dependants of such persons and to establish and support, or to aid in the establishment and support, or to aid in the establishment and support, of any schools and any educational, scientific, literary, religious or charitable institutions or trade societies whether such societies be solely connected with the trade carried on by the Company or its predecessors in business or not any club or other establishment the Company or of the persons employed by the Company or its predecessors in business.
36. To pay for any property or rights acquired by the company either in cash or in fully or partly paid up shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by securities which the Company has power to issue or partly in one mode and partly in another and generally on such terms as the Company may determine.
37. To distribute among the members in special any property of the Company or any proceeds of sale or disposal of any property of the Company subject to Provision of the Company Act, 1956.
38. To carry on research work in all fields and in all matters which may be deemed expedient and in the interest of the Company and the expend money on experiment and test.
39. To acquire patent rights, inventions, processes and information in relation to all or any of the matters in which the Company is engaged and to expend money on experiments and tests.

40. From time to time subscribe to any charities, benevolent or useful object of public character, the support of which in the opinion of the Company, tend to increase its repute or popularity among its employees, its customer or the public.
41. To employ broker, commission agents and underwriters upon and issue of shares and to provide for the remuneration of such persons for their services by payment in case or by issue of shares, debentures or other securities of the Company or by any such manner.
44. To effect all such insurance's in relation to the carrying of the Company's business and any risks incidental thereto as well as the lives of any of the employees, as may see expedient and if thought fit to join or become a member of any insurance or provident Company.
45. To do all or any other matters hereby authorised either along or in conjunction with as factors trustees or agents for any other companies or persons or by or through any factors, trustees or agents.
46. To deal or any of the above things as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with other and by or through agents, trustees, sub-contractors or otherwise.
47. To amalgamate with any other company having objects similar to this Company or of a different nature and to promote and to act to this Company or of a different nature and to promote and to act as agents or subsidiary companies.
48. To cause the company to be recognized in any foreign country of place.
49. To carry on the business of building. Owning and operating commercial complex, health centre, health club and small apartment, hotel.

IV. The liability of the members shall be limited.

V. †

- a. The Authorised Share Capital of the Company is Rs. 40,25,00,000/- (Rupees Forty Crores Twenty Five Lakhs Only) divided as follows:
 - 4,00,00,000 (Four Crores) Equity Shares of Rs.10/- (Rupees Ten only) each.
 - 2,50,000 (Two Lakhs Fifty Thousand) Preference Shares of Rs.10/- (Rupees Ten only) each.
- b. The minimum paid up capital of the Company shall be Rs. 5,00,000/- (Rupees Five Lac).

† Capital Clause was amended at the General Meetings held on 24-11-2003, 29-03-2005 and 12-06-2006

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

Sr.No.	Name, Address, Description and Occupation of Subscribers	Number of Equity Shares Taken by each Subscriber	Signature of Subscriber	Signature, Name, Address, Description and Occupation of witness
1.	MR. RASESH B. KANAKIA S/O. BABUBHAI KANAKIA 18, Ashish, Vallabh Nagar Society, N.S. Road No.4, Juhu, Mumbai – 400 056. Occupation: Business.	5000 (Five Thousand Only)	Sd/-	Witness to both Sd/- NILESH C. MEHTA S/o. Chandrakant H. Mehta 1, Alankar, 251, Sion Main Road, Sion (W), Mumbai – 400 022.
2.	MR. HIMANSHU B. KANAKIA S/O BABUBHAI KANAKIA 20, Swastik Society, V.L. Mehta Road, Juhu, Mumbai – 400 056. Occupation: Business.	5000 (Five Thousand Only)	Sd/-	
TOTAL		10,000 (Ten Thousand Only)		

Mumbai: 2nd May, 2002

**ARTICLES OF ASSOCIATION
OF
CINEMAX INDIA LIMITED**

**TABLE "A" NOT TO APPLY BUT COMPANY TO BE
GOVERNED BY THESE ARTICLES**

1. No regulations contained in Table "A" in the First Schedule to the Companies Act, 1956 shall apply to the Company.

DEFINITIONS AND INTERPRETATION

2. In these Articles, unless it be repugnant to the subject or context thereof:-

"Act" or **"the said Act"** means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.

"Articles", **"these presents"** or **"Regulations"** means the Articles of Association of the Company as originally framed or as altered from time to time and includes the Company's Memorandum of Association where the context so requires.

"Beneficial Owner" means a beneficial owner as defined in the Depositories Act, 1996.

"Board of Directors" or **"Board"** means the Board of Directors of the Company.

"Company" means **Cinemax India Limited**

"Depository" shall mean a Depository as defined in the Depositories Act, 1996.

"Encumbrance" means any mortgage, hypothecation charge (whether fixed or floating), pledge, lien, option, right of pre-emption, right of retention of title or any other form of security, interest or any obligation (including conditional obligation) to create any of the same.

"HK" shall mean Mr. Himanshu Kanakia S/o: Babubhai Kanakia, presently residing at Ashish, Plot # 18, Road No. 4, JPD Scheme Vile Parle West. Mumbai-56.

"Kanakia Family" shall mean

- (a) RK; and/or
- (b) HK; and/or
- (c) Respective spouses of RK and/or HK; and/or their lineal descendant(s) and/or Person(s) who is/are directly or indirectly wholly controlled/held/owned by any one or more of them individually or collectively or jointly, who hold shares in the Company.

"Member" means a duly registered holder, for the time being, of the equity shares and/or preference shares in the Company, every Person holding equity shares and/or preference shares of the Company, every subscriber to the Memorandum and Articles of Association of the Company and one whose name is entered as the Beneficial Owner in the records of the Depository but does not include a bearer of share warrants.

"Person" shall include individuals, companies, body corporates, corporations, organizations, partnerships, firms, joint ventures, joint families, incorporated or unincorporated associations or bodies of persons, societies, trusts, public financial institutions, banks and juristic persons.

"RK" shall mean Mr. Rasesh Kanakia S/o: Babubhai Kanakia, presently residing at Ashish, Plot # 18, Road No. 4, JPD Scheme Vile Parle West. Mumbai-56

"Register of Members" means the Register of Members to be kept pursuant to the Act and also includes records of the Depository maintained in any media as may be permitted by law including electronic media.

"Seal" means the common seal for the time being of the Company.

“**Secretary**” shall mean the Company Secretary appointed in accordance with the provisions of the Act.

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

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

Words and expressions used in these Articles, but not defined in these Articles, shall have the same meaning as is assigned thereto in the Act or the Depositories Act, 1996 or any modifications or re-enactments thereof for the time being in force.

Marginal Notes

3. The marginal notes and/or headings in these Articles shall not affect the construction of these Articles.

GENERAL AUTHORITY

4. Wherever, in the Act, it has been provided that a company shall have any right, privilege or authority or that a company could carry out a transaction only if a company is so authorized by its Articles, then and in that case this Article hereby authorizes and empowers the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.

SHARE CAPITAL

5. The Share Capital of the Company shall be as prescribed in the Memorandum of Association of the Company

Division of Share Capital into classes of shares

6. The share capital of the Company may be divided into such classes of shares as may be permitted under Act. The Company is authorised to issue such classes of shares on such terms and conditions as the Board may deem fit including, without limitation, equity shares and preference shares upon such terms and conditions and with such rights and privileges (including with the differential rights as to dividend, voting or otherwise) attached thereto as may be permitted by law.

Preference Shares

7. Subject to the provisions of Section 80 and/or such other applicable provisions of the Act, the Company may issue preference shares which are or at the option of the Company liable to be redeemed.

Further issue of Shares

8. 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 either out of the un-issued capital or out of the increased share capital then:
 - (a) such further shares shall be offered to 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) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (c) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to 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 any Member may renounce the shares offered to him;
 - (d) after expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such Person (s) as it may think fit, in its sole discretion.

9. Notwithstanding anything contained in Article 8, the further shares aforesaid may be offered to any Persons (whether or not those Persons include the Persons referred to in clause (a) of Article 8 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 to do so, vote in person or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf that the proposal is most beneficial to the Company.
10. Nothing in sub-clause (c) of Article 8 hereof shall be deemed:
- (a) to extend the time within which the offer should be accepted; or
 - (b) to authorize 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.
11. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:
- (a) to convert debentures or loans into shares in the Company; or
 - (b) to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

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 the loans or is in conformity with the Rules, if any, made by that Government in this behalf; and
- (b) in the case of debentures or loans or other than the 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.

Issue of Further Shares Not to Affect the Right of Shares Already Issued

12. In the event of the Company having issued any particular class of shares, unless otherwise provided by the terms of the issue of the shares, the Company may at any time thereafter create or issue further shares ranking pari passu therewith. However, the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Issue of shares for consideration other than cash

13. Subject to the provisions of the Act and these Articles, the Board 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 (including goodwill of any business) 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 or otherwise, and any shares which may be so allotted may be issued as fully paid up shares or partly paid up otherwise than in cash and, if so issued, shall be deemed to be fully paid up or partly paid-up shares as aforesaid. The Board shall cause returns to be filed of any such allotment in accordance with applicable provisions of the Act.

DEMATERIALIZATION OF SECURITIES

14. The provisions of this Article shall apply only in respect of Securities held in Depository mode and the provisions of the other Articles shall be construed accordingly.
15. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities as also re-materialize its shares, debentures and other securities held in Depository Mode and/or offer

securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder.

16. (a) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates in accordance with provisions of the other Articles or to hold the same with a Depository. Such a person who is the beneficial owner of the securities may/can at any time opt out of the Depository, if permitted by Law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed therein, issue to the beneficial owner the required certificates of securities.
- (b) If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- (c) The Board of Directors of the Company shall have the power to fix a fee payable by the investor to the Company for the services of Dematerializing and or Rematerializing of the Company's Securities as they in their discretion may determine.
- 18 (a) All the Securities held by a Depository shall be dematerialized and be fungible form.
- (b) Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the said Act shall apply to a Depository in respect of the Securities held by it on behalf of the beneficial owners.
- 19 (a) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company.
- (d) The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities of a member in respect of his securities, which are held by a Depository.
20. Notwithstanding anything contained in the Act and these Articles where securities are held in a depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs or in such other manner as may be practicable.
- 21 (a) Nothing contained in Section 108 of the said Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.
- (b) In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.
- 22 Nothing contained in the said Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to the Securities held with a Depository. Every fortified or surrendered Share held in a material form shall continue to bear the number by which the same was originally distinguished.
- 23 The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of these Articles.

Share Certificates

Limitation of time for issue of certificates

- 24 Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Board so approves (upon paying such fee as the Board may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the

date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board may prescribe or approve, provided that in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to the first named joint holder or any one of the other joint holders shall be deemed to be sufficient delivery to all the joint holders.

- 25 If any share stands in the name of two or more Persons, the Person first named in the Register of Members or in the records of the Depository shall, as regards receipt of dividends or bonus, or service of notices and all other matters connected with the Company, except voting at meetings, and the transfer of the share, be deemed the sole holder thereof.

Issue of new certificate in place of one defaced or lost or destroyed

- 26 If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding Rs.2/- for each Certificate) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Board shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other enactment or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

Buy back of Own Shares

- 27 Subject to the provisions of the Act and other statutory regulations, the Company may acquire or purchase its own shares or other securities by way of buy-back on such terms and conditions as the Company may deem fit.

Shares under the Control of the Board

- 28 Subject to the provisions of Section 81 and/or such other applicable provisions of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 and/or such other applicable provisions of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any Person or Persons the option or right to all for any shares either at par or premium during such time and for such consideration as the Board think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that 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.

Same as original capital

- 29 Except 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 part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

Liability of Members

- 30 Every Member, his executors, administrators or other legal representatives shall pay to the Company the proportion of the capital represented by his share or shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times,

and in such manner, as the Board shall, from time to time, in accordance with these Articles, require or fix for the payment thereof.

Installments on shares to be duly paid

- 31 If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof is payable by installments, every such installment shall, when due, be paid to the Company by the Person who, for the time being and from time to time, shall be the registered holder of the share (including without limitation all transferees) or his legal representatives.

Company not bound to recognise any interest in shares other than that of the registered holder

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

Underwriting Commission and Brokerage

- 33 The Company may exercise the powers of paying commissions conferred by Section 76 and/or such other applicable provisions of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and shall be in accordance with the limits stipulated therein. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

Payment in anticipation of call may carry interest:

- 34 The Board may, if it think fit, subject to the provisions of Section 92 and/or such other applicable provisions of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the Member paying such sum in advance and the Board agrees upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

ESOP Plan

- 35 The Company may, subject to the provisions of laws and any guidelines thereof, implement an Employee Stock Option Scheme (“**ESOS**”) or an Employee Stock Purchase Scheme (“**ESPS**”) or such other related schemes for the employees of the Company. Any such ESOS, ESPS or such related schemes shall be subject to applicable laws.

VARIATION OF RIGHTS

- 36 If at any time the share capital of the Company, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106, 107 and/or such other applicable provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be five Persons at least holding or representing by proxy one-third of the issued shares of the class in question.

COMPANY’S LIEN ON SHARE/DEBENTURES:

- 37 The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect, and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Board may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
- 38 The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien. Provided that no sale shall be made (i) unless a sum in respect of which the lien exists is presently payable, or (ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the Person entitled thereto by reason of his death or insolvency.
- 39 To give effect to any such sale, the Board may authorise some Person to transfer the shares sold to the purchaser thereof and cause the purchaser's name to be entered in the register in respect of the shares sold. In such case, the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale and after his name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached for any reason, and the remedy of any Person aggrieved by the sale shall be in damages only and exclusively against the Company.
- 40 Upon any such sale as aforesaid the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser.
- 41 The net proceeds of the aforementioned sale shall be received by the Company and after payment of the costs of such sale shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and / or the debts, liabilities or engagements of such Member to the Company. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the Person entitled to the shares by transmission or otherwise to the shares so sold at the date of the sale.

CALLS ON SHARES

- 42 The Board may, from time to time, subject to the terms on which any shares may have been issued and the conditions hereinafter mentioned, make calls upon the Members as the holder of such shares, in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- 43 Each Member shall, subject to receiving at least seven days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- 44 If the Board so specifies, a call may be payable in installments. A call may be extended, revoked or postponed at the discretion of the Board.
- 45 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- 46 The joint holder(s) of the shares shall not be relieved of his/their obligations in respect of payment of all installments and calls due on the share and all incidents thereof in accordance with these Articles and the joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 47 If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 18 per cent per annum compounded annually or at such other rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 48 Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-

payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

- 49 No Member shall be entitled to receive any dividend or any bonus shares or rights shares or exercise any privileges or rights (including, without limitation, any voting rights) in respect of any shares registered in his name or jointly on which any calls or other sums presently payable by him have not been paid, or in respect of which the Company has exercised any right of lien until he shall have paid all calls and other sums for the time being due and payable on every share held by him, whether alone or jointly with any Person, together with interest and expenses, if any, or until the lien has ceased, as the case may be. The Board may deduct from the interest or dividend all sums of money so due to the Company.
- 50 Any money due from the Company to a Member may, without the consent of such Member, be applied by the Company in and towards payment of any money due from him to the Company for calls or otherwise.
- 51 Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any Member, or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, or in any suit or action against the Company, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered is or was, when the claim arose, on the Register of Members of the Company or in the records of the Depository of the Company, as a holder or one of the holders of the shares in respect of which such claim is made, that the resolution making the call is duly recorded in the Minute Book and that notice of such call was duly given in pursuance of these Articles and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors, who made such call nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

FORFEITURE OF SHARES

- 52 If a Member fails to pay the whole or any part of any call, or installment of a call, or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Board may, at any time thereafter during such time as the call or installment or any part thereof or other moneys remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the Person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest at the rate of 18 % p.a. compounded annually that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment. Such notice 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;
 - (b) name a place or places on or before and at which the money is to be paid; and
 - (c) state that, in the event of non-payment of such money on or before the day so named and at the place appointed, the shares in respect of which the call was made will be liable to be forfeited.
- 53 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, but before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared, interest or other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture. No unclaimed or unpaid dividend shall be forfeited by the Board.
- 54 The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in and also of all claims and demands against the Company in respect of the share and all other rights incidental to the share.
- 55 Every share so forfeited shall be deemed to be the property of the Company and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit subject to the same restrictions and conditions as for transfer of shares provided by these Articles.
- 56 The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, cancel or annul the forfeiture thereof on such terms as it thinks fit.

- 57 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 moneys 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 moneys in respect of the shares.
- 58 When any share is so forfeited, notice of the forfeiture shall be given to the holder of the share, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of the Members, but no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. Where any member whose shares have been forfeited has failed to deliver to the Company the relative certificate or certificates within fourteen days from the date of being called upon to do so, the Board may cause such certificate or certificates to be cancelled and issue a new certificate or certificates for the Shares comprised therein distinguishing it or them in such manner as the Board may think fit from the certificate and certificates not so delivered and cancelled.
- 59 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. Where any shares have been so forfeited, an entry of forfeiture with the date thereof shall be entered into Register of Members.
- 60 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.
- 61 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.

Judgment, decree or partial payment not to preclude forfeiture

- 62 Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as herein provided.
- 63 The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

Transfer

- 64 The instrument of transfer shall be in writing and all provisions of Section 108 and/or such other applicable provisions of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
- 65 Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the Transferee and the Transferee provides its no objection to the transfer within fifteen days from the receipt of the notice. In the event of no communication from the Transferee it shall be deemed that the Transferee has provided its no objection. For the purpose of this Article notice to the Transferee shall be deemed to have been duly given if it is dispatched to the address of the Transferee given in the instrument of transfer, in the same manner and shall be deemed to have been duly delivered as is provided in the case of notices to Members under the Act.
- 66 No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
- 67 The Board may, subject to the provisions of the Act and subject to the other provisions of these Articles, decline to register any transfer of shares on which Company has a lien.

- 68 The Company shall not be bound to recognize any Hindu Undivided Family (HUF) or any partnership firm (firm) as a Member and in the event of any shares are to be held by an HUF or firm, the same would have to be held in the name of the Karta / a coparcener of the HUF or any partner/s of the firm and the Company would recognize such karta / coparcener / partner/s as the Member of the Company.
- 69 The Nominee, appointed in pursuance of Section 109A and/or such other applicable provisions of the Act, shall be entitled to all the rights in the shares of the Company as per the said Section 109A and/or such other applicable provisions of the Act and the Company, subject to the provisions of the Act, is entitled to vest all the rights in the shares of the Company in favour of duly appointed nominee as per provisions of the Act.

Board may refuse to register transfer:

- 70 Subject to the provisions of Section 111A and/or such other applicable provisions of the Act or any statutory modification of the said provisions for the time being in force, the Board may, at its own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a Member of the Company but in such cases, the Board shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

Transmission

- 71 On the death of a Member, the survivor or survivors where the Member was a joint holder, the executor or administrator of a deceased Member or a holder of a Succession Certificate in respect of shares of a deceased Member where he was the sole or only surviving holder shall be the only Persons recognised by the Company as having any title to his interest in the shares and the Company shall not be bound to recognise such executor or administrator unless such executor or administrator shall have first obtained Probate or Letters of Administration or other legal representation as the case may be from a duly constituted court in India. Provided that in any case where the Board in their absolute discretion think fit, the Board may dispense with the production of Probate or Letters of Administration or Succession Certificates upon such terms as to indemnity, affidavit or otherwise as the Board may deem fit and register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Member as a Member. Nothing in this Article shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other Persons.
- 72 Any Person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- (i) to be registered himself as holder of the share; or
 - (ii) to make such transfer of the share as the deceased or insolvent Member could have made.
- 73 The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.
- 74 If the Person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- 75 If the Person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- 76 All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
- 77 Subject to the other provisions of these Articles, in the event of law permitting the recognition of nominations made for the transmission of shares in the event of death of a shareholder, the Company shall recognise the same in accordance with the applicable provisions of law.

- 78 In the event of there being a specific procedure for transmission of dematerialised shares in the applicable rules, bye-laws and regulations, the said procedure shall apply.

Refusal to register nominee

- 79 The Board shall have the same right to refuse to register a Person entitled by transmission to any shares or his nominee as it would have had as if such Person or nominee were a transferee named in an ordinary transfer for registration. The Company shall not be bound to register a transmission unless the intimation of such transmission has been delivered to the Company under a proper transmission form duly executed by the Person entitled by transmission and specifying the name, address and occupation, if any, of such Person along with the relative share certificates or the letters of allotment, as the case may be. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and registration of transfers of shares shall be applicable to any such intimation of transmission or any notice of transfer as if the circumstances entitling such Person to the shares by transmission had not occurred and as if the Person entitled by transmission or his nominee were the transferee named in an ordinary transfer presented for registration.

Board may require evidence of transmission

- 80 Every transmission of a share shall be verified in such manner as the Board may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Board at their discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Board to accept any indemnity.

Rights of persons entitled to shares otherwise than by way of transfer

- 81 A Person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles, shall be entitled to the same dividends, or interest and other benefits to which he would be entitled if he were the registered holder of the share except that he shall not, before being registered as a Member in respect of the share be entitled in respect of such share to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Board may at any time give notice requiring any such Person to elect either to be registered himself or transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the compliance of the requirements of the notice to the satisfaction of the Board.

Notice of Proposed Transfer

- 82 Before registering any transfer tendered for registration, the Board may, in cases where it think fits, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that unless objection is taken the transfer will be registered and if such registered holder fails to lodge an objection in writing at the Registered Office of the Company within ten days from the posting of such notice to him, he shall be deemed to have accepted the validity of the said transfer.

Company not liable for disregard of a notice prohibiting registration of transfer

- 83 Neither the Company nor any of its Directors shall incur any liability or responsibility whatever in consequence of their registering, giving effect to, or acting upon any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in Register of Members), to the prejudice to the Person having or claiming any equitable or other right, title or interest to or in the same shares although the same may by reason of any fraud or other cause not known to the Company or any of its Directors, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred and although the transfer may as between the transferor and the transferee, be liable to be set aside and notwithstanding that the Company may have had notice:- (i) that the instrument of the transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred or otherwise in a defective manner; or (ii) of any equitable or other right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company; and the Company and/or any of its Directors shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable or other right, title or interest, or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some books of the Company; the notice and give effect thereto if the Board shall so think fit. In every such transfer, the Person registered as transferee, his executors, administrators and assigns alone shall be entitled to be recognised as the holder thereof and so far as the Company is concerned, the entire and complete title shall be deemed to have been validly transferred to such transferee.

Joint Holders

- 84 Where two or more Persons are registered as the holders of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship subject to the followings and other provisions contained in these Articles:-
- (a) The Company shall not be bound to register more than three Persons as the holders of any share.
 - (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all installments, calls, other payments which ought to be made in respect of such share.
 - (c) On the death of any of such joint holders, the survivor or survivors shall be the only Person or Persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other Person.
 - (d) Any one of such joint holders may give effectual receipts of any dividends or interest or other moneys payable in respect of such share.
 - (e) Only the Person whose name stands first in the Register of Members or in the records of the Depository as one of the joint holders of any share unless otherwise directed by all of them in writing shall be entitled to delivery of certificate relating to such share from the Company and/or any document served on or sent to such Person shall be deemed service on all the joint holders.
 - (f) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by attorney or by proxy then that one of such Persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in their register in respect of such shares Several executors or Administrators of a deceased Member in whose (deceased Member's) sole name any share stands shall for the purpose of this sub-clause be deemed joint holders.

Surrender of Shares

- 85 The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms as the Board may think fit.

Uniform Applicability to Articles in relation to all Securities

- 86 All provisions of in these Articles relating to Forfeiture, Lien, Transfer, Transmission, Issue of certificates as are applicable to shares shall apply mutatis mutandis to all securities (as defined by the Securities Contracts (Regulation) Act, 1956, to the extent applicable) issued by the Company.

BORROWING POWERS

- 87 Subject to the provisions of Section 292, 293 and/or such other applicable provisions of the Act and of these Articles, the Board may from time to time by a resolution passed at a Meeting of the Board, accept deposits from Members, either in advance of calls or otherwise and may generally raise or borrow or secure the payment of any sum or sums of money for the Company. The payment or repayment of moneys so borrowed may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at the meeting of the Board (and not by circular resolution) including by the issue of debentures or debenture stock and other securities may be made assignable free from any equities between the Company and the Person to whom the same may be issued charged upon all or any part of the undertakings or property of the Company (both present and future) and its uncalled share capital for the time being pursuant to a resolution.

DEBENTURES

- 88 The Company shall have the power to issue bonds, debentures, debenture-stock or other securities, but in exercising this power the provisions of the Act shall be complied with.
- 89 All such bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such considerations as it shall consider to be for the benefit of the Company.
- 90 Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Debenture Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
- The Company shall also have power to re-issue redeemed debentures in accordance with the provisions of the Act.
- 91 If any uncalled capital of the Company is included in or charged by any mortgage, hypothecation or any other Encumbrance, the Board shall, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the Person in whose favour such mortgage, charge, hypothecation or other Encumbrance is executed or, unless prohibited by or under the Act, may authorise the Person in whose favour such mortgage, charge hypothecation or other Encumbrance is executed or any other Person in trust for him to make calls on the Members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and by exclusion of the Board's powers or otherwise, and shall be assignable if expressed so to be.
- 92 Where any uncalled capital of the Company is charged, all Persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the shareholders or otherwise, to obtain priority over such charge.

ALTERATION OF CAPITAL

- 93 The Company may from time to time, by ordinary resolution:-
- (a) increase its share capital by such amount as it thinks expedient by issuing new shares;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up equity shares into any denomination;
 - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum, subject, nevertheless, to the provisions of clause (d) of sub-section (1) of Section 94 (and/or such other applicable provisions) of the Act;
 - (e) 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 shares capital by the amount of the shares so cancelled.
- 94 The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law.-
- (a) its share capital.;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

GENERAL MEETINGS

- 95 The term "general meetings" shall include both annual general meetings and extraordinary general meetings.
- 96 Notice may be given to Members by advertisement in a newspaper in accordance with the provisions of the Act. If notice is given to the Members by advertisement in a newspaper, it will be advertised in atleast one leading National newspaper.
- 97 The accidental omission or the non receipt of any notice by any Member or other Person entitled to receive the same, shall not invalidate the proceedings of the Company.

- 98 The Board may, whenever it thinks fit, call an extraordinary general meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 99 In the event there being no sufficient number of directors present within India to form a valid quorum at any point of time, any director of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, in which such a meeting may be called by the Board.
- 100 No general meeting, annual and extra- ordinary shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it was convened.
- 101 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 herein otherwise provided, five Members present in person shall be a quorum.
- 102 The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company. No business shall be discussed at any General Meeting, except the election of a Chairman, whilst the Chair is vacant.
- 103 If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the general meeting, the directors appointed by or representing the Kanakia Family present shall elect one of their number to be Chairman of the general meeting.
- 104 If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their numbers to be chairman of the meeting.
- 105 The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 106 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, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 107 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a Member.
- 108 Any business, other than that upon which a poll has been demanded, may be proceeded with pending the taking of the poll.
- 109 At any General meeting a resolution put to vote of the meeting shall unless a poll is demanded, be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the Minutes of the proceedings of the Company, shall be evidence of the fact and, subject to the provisions of law, proof of the number or proportion of the votes cast in favour of or against such resolution would not be required.

VOTES OF MEMBERS

- 110 Subject to the provisions of the Act, and subject to the terms of the issue, and subject to any rights or restrictions for the time being attached to any class or classes of shares:-
- (i) on a show of hands, every Member (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 and/or such other applicable provisions of the Act) present in person and entitled to vote shall have one vote; and
 - (ii) on a poll, every Member (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 and/or such other applicable provisions of the Act) entitled to vote and present in person or by attorney or by proxy shall be entitled to vote in accordance with Section 87 and/or such other applicable provisions of the Act.
- 111 In the case of joint holders, the vote of the First Holder 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, the First Holder shall be determined by the order in which the names stand in the Register of Members.

- 112 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. If any Member be a minor, the vote in respect of his guardians, if more than one, to be elected in case of dispute by the Chairman of the meeting.
- 113 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.
- 114 Subject to the provisions of the Act and these Articles, 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 chairman of the meeting, whose decision shall be final and conclusive.
- 115 Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. Subject as aforesaid Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
- 116 Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate also by a representative duly authorised under Section 187 and/or such other applicable provisions of the Act.
- 117 Subject to the provisions of the Act and other provisions of these Articles, any Person entitled to transmit any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty-eight hours before the time of holding of the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transmission of such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
- 118 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorally certified copy of that power or authority, shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the Person named in the instrument proposes to vote, or in the case of a poll, not less than 48 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 119 An attorney shall not be entitled to vote unless the power of attorney or other instrument has been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the Member or the attorney require him to produce the original power of attorney or authority and unless the same is thereon deposited with the Company not less than forty eight hours before the time fixed for the meeting or within 24 hours of the receipt of the notice by the Member or attorney (whichever is later) the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.
- 120 Every instrument of a proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit be in any of forms set out in Schedule IX or such other form/s as may be prescribed under the Act.
- 121 An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting of the Company, or of every adjournment of any such meeting.
- 122 If any such instrument of appointment be confined to the object of appointing an attorney or proxy, it shall remain permanently, or for such time as the Directors may determine, in the custody of the Company; and if embracing other objects, a copy thereof which has been examined by the Company with the original shall be delivered to the Company to remain in its custody.
- 123 A vote given in accordance with the terms of an instrument of proxy or by an attorney shall be valid, notwithstanding the previous death of the principal or revocation of the proxy or power of attorney as the case may be or of any power of attorney under which

such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Company's office before the meeting at which the proxy is used.

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In the event of a corporation, whether a company within the meaning of the Act, or not which is a Member of this Company authorising any of its officials or any other Person to act as its representative at any meeting of this Company, the production of a copy of such resolution certified by one Director or the Secretary of such corporation or company shall be accepted by this Company as sufficient evidence of the validity of the said representative's appointment and his right to vote provided always that the corporation or company which he represents has a right to vote.

BOARD OF DIRECTORS

125. The appointment of Directors by the Company shall be governed by the provisions of sections 255, 256, 257, 260, 262, 263, 313 and/or such other applicable provisions of the Act and these Articles. The composition of the Directors shall be in accordance with the provisions of the listing agreement, as may be applicable.
126. Unless otherwise determined by the Company in General Meeting the number of Directors of the Company shall not be less than 3 or more than 12 inclusive of whole-time directors, ex-officio directors, nominee directors, technical directors, debenture directors, alternate directors, additional directors, corporation directors, co-opted directors, executive directors and administrative directors, if any. One third of the strength of the Board shall be non-retiring Directors.
127. Half (including non-retiring) of the Board strength shall be represented by Kanakia Family so long as Kanakia Family holds 50% or more of the total equity share capital of the Company.. In case Kanakia Family' holds less than 50% but more than 33% of total equity share capital of the Company Kanakia Family shall be entitled to appoint and remove non-retiring Directors from time to time
128. Subject to the provisions of the Act, each Director shall be entitled to be paid out of the funds of the Company by way of remuneration for his services, such sum not exceeding the amount prescribed under the provisions of the Act from time to time as applicable for each meeting of the Board or Committee of the Board, attended by him as may be decided by the Board from time to time. Such payment may be made in cash or in kind.
129. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all traveling, hotel and other expenses properly incurred by them-
- (a) in attending and returning from meetings of the Board of directors of any committee thereof or general meetings of the company; or
 - (b) in connection with the business of the Company.
130. If any Director be called upon to go or reside out of his usual place of business on the Company's business or otherwise perform extra services or special exertions or efforts, the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board subject to the provisions of the Act and such remuneration may be either in addition to or in substitution for his remuneration above provided.
131. It shall not be necessary for a Director to hold any qualification shares.
132. Subject to the provisions of Section 313 and/or such other applicable provisions of the Act or any statutory modifications thereof, the Board of Directors shall have the power to appoint a Person as the alternate Director during the absence of a Director for a period of not less than three months in the State in which meetings of the Board are ordinarily held.
133. Subject to the provisions of Section 262 and/or such other applicable provisions of the Act or any statutory modifications thereof the Board of directors shall have the power to fill up casual vacancies.
134. The Board shall have power at any time, and from time to time, to appoint Persons as additional directors, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Such additional directors appointed shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
135. Subject to the provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.
136. Any Trust Deed for securing debentures or debenture stock may, if so agreed, provide for the appointment of, and such provision shall entitle the Trustees thereof or the holders

of the debentures or debenture stock, as the case may be, to appoint, one Person as a Director on the Board of Directors of the Company with power to remove any Director so appointed and on vacancy being caused in such office from any cause, whether by resignation, death, removal or otherwise, to appoint another Person as a Director of the Company. The Director appointed under this Article is hereinafter referred to as "Debenture Director" and the term "Debenture Director" means a Director for the time being in office under this Article. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the trustees, and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

- 137 Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India (ICICI), The Industrial Preconstruction Corporation of India Limited (IRCI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC), The Oriental Fire and General Insurance Company Limited (OFGI), The New India Assurance Company Limited (NIA), United India Insurance Company Limited (UTIC), Gujarat Industrial Investment Corporation Limited (GIIC), Gujarat State Financial Corporation Limited (GSFC), or any financial institution owned or controlled by Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time, (which Director or Directors, is/are hereinafter referred to as "Nominee Directors") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. The Board of Directors of the Company shall have no power to remove from office the nominee Director/s. At the option of the corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debenture/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debenture/ shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees, and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided also that in the event of the Nominee Director/s being appointed as whole time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Directors shall be entitled to receive such remuneration, fees, commission, and moneys as may be approved by the Corporation.

POWERS OF THE BOARD

- 138 The Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power to do any act or thing, which is directed or required by the Act or by provision of law or by the Memorandum of Association of the Company or by these Regulations, to be exercised or done by the Company in General Meeting.
- 139 Subject to the restrictions contained in Section 292 and/or such other applicable provisions of the Act, the Board of Directors may delegate any of their powers to the Committees of the Board consisting of such member or members of their body as they

think fit, and they may from time to time revoke and discharge any such committee either wholly or in part, and either as to Person or purposes; but every committee as aforementioned shall in the exercise of the powers so delegated confirm to any conditions as may from time to time be imposed upon them by the Board, All Acts done by any such Committee in conformity with such conditions and in fulfillment of the purposes of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.

- 140 The meeting and proceedings of any Committee of the Board shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Board so far as the same are applicable thereto and are not superceded by any regulations made in that behalf by the Board.
- 141 Without prejudice to the general powers conferred by these Articles but subject however to the provisions of the Act and the restrictions imposed by these Articles, it is hereby expressly declared that the Directors shall have the following powers:
- (a) To carry out the objects and exercise the power contained in Clause III of the Memorandum of Association of the Company.
 - (b) To appoint a managing director / chief executive officer of the Company and delegate such power as the Board may deem fit to such Person from time to time, including the power to further sub-delegate the powers to such Person as the said managing director / chief executive officer may deem fit, and to have superintendence, control and direction over the Managing Director, Managers, whole-time Directors and all other officers of the Company.
 - (c) To provide for the management of the affairs of the Company in the specified localities where the Company carries out its business or outside India and to delegate to any Person in charge of the local management such powers as may be deemed fit by the Board.
 - (d) To appoint and at their discretion remove or suspend such managers, secretaries, officers, technicians, clerks agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments, and to require security in such instances and to such amounts as they think fit.
 - (e) For or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter into all such negotiations and contracts, and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient.
 - (f) To appoint at any time and from time to time by a power of attorney under seal, any Person, as the attorney of the Company in respect of such matters in which the powers are delegated, including without limitation the power to appoint a substituted attorney thereof or to further sub-delegate the powers.
 - (g) To appoint any Person or Persons (whether incorporated or not incorporated) to accept and hold in trust for the Company, any property belonging to the Company, or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustees.
 - (h) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly also to insure all or any part of the goods, produce, machinery and other articles imported or exported by the Company and to insure loss of profit and standing charges and to insure retrenchment compensation and lay-off liabilities and to insure accidental insurance on all the employees of the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
 - (i) To determine by resolution from time to time the name of Person or Persons who shall be entitled to do all or any of the acts mentioned in these Articles on behalf of the Company.
 - (j) To appoint employees, offices, servants and clerks for permanent, temporary or special services as the Board may from time to time think fit and on such terms and conditions as the Board may think fit.
 - (k) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children or dependents that may appear

to the Directors just or proper whether such employee or his widow, children or dependents have or have not a legal claim upon the Company.

- (l) To sanction, pay and reimburse to the officers of the Company in respect of any expenses incurred by them on behalf of the company.
- (m) To act on behalf of the Company in all matters relating to bankrupts and insolvent.
- (n) To invest and deal with any of the moneys of the Company and to vary or release such investments.
- (o) To refer claims and demands by or against the Company to arbitration and observe and perform any awards made thereon.
- (p) To institute, conduct, defend, compound, compromise or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound or allow time for payment or satisfaction of any debts due and of claims or demands by or against the Company and to refer any claims or demands by or against the Company to arbitration and observe and perform any awards made thereon and to appoint solicitors, advocates, counsel and other legal advisors for such purposes and to settle and pay their remuneration.
- (q) To establish, maintain, support and subscribe to any charitable or public object or any society institution, or club which may be for the benefit of the Company or its employees.
- (r) To subscribe or contribute or authorise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes or for any exhibition.
- (s) Subject to the provisions of Sections 292, 297, 360 and/or such other applicable provisions of the Act, to purchase or otherwise acquire for the Company any lands, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, rights, privileges, business and goodwill of any Person (including from any associated company on arms length basis) which the Company is authorised to acquire at or at such price or consideration and generally on such terms and conditions as they may think fit, and in such purchase or other acquisition to accept such title as all the then prevailing circumstances of the case may justify in the interests of the Company.
- (t) At their discretion to pay for any property, right or privileges acquired by or services rendered to the Company either wholly or partially in cash, or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company its uncalled capital or not so charged.
- (u) To make and alter rules and regulations concerning the manner of payment of the contributions of the employees and the Company respectively and to any fund and accruals, employment, suspensions and forfeiture of the benefits of the said fund and the applications and disposals thereof and otherwise in relation to the working and management of the said funds as the Directors shall from time to time think fit.
- (v) To borrow moneys and avail of financial facilities on such terms and conditions and subject to such limits as the Board may deem fit.
- (w) To make and give receipts, releases and other discharges for moneys or properties payable or transferred to the Company and for the claims and demands of the Company.
- (x) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereat under the provisions of Sections 76, 208 and/or such other applicable provisions of the Act.
- (y) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such manner as they may think fit.
- (z) To accept from any Member, so far as may be permissible by law, surrender of his shares or stock or any part thereof, on such terms and conditions as shall be agreed.

- (aa) To open current, overdraft, cash credit and fixed deposit accounts with any bank, company, firm or individual and to operate thereon.
- (bb) To exercise other powers referred to under these Articles not specifically mentioned in this Article.
- (cc) To exercise the powers conferred by Section 50 and/or such other applicable provisions of the Act with regard to having an official seal for use abroad.
- (dd) To keep foreign registers of Members and debenture holders in accordance with the provisions of the Companies Act, 1956 and exercise the powers conferred on by Sections 157, 158 and/or such other applicable provisions of the Act and impose such conditions as it may think fit respecting the keeping of any such registers.
- (ee) To determine from time to time who shall be entitled to sign, draw, accept, endorse, or otherwise execute, as the case may be, on the Company's behalf, promissory notes, drafts, hundies, bills of exchange, notes, receipts, acceptances, endorsements, cheques and other negotiable instruments, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- (ff) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds, for the benefit of and give or procure the giving of 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 if any Company which is a subsidiary of the Company, or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or 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 establish and subsidise and subscribe to any institution, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other Company as aforesaid, and make payment to or towards the insurance of any such Person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
- (gg) To guarantee the obligations of any Person.

PROCEEDINGS OF THE BOARD

- 142 The Board of directors may meet for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit.
- 143 A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 144 One of the directors nominated by the Kanakia Family shall be the Chairman of the Board Meetings at all times.
- 145 All Meetings of the Directors shall be presided over by the Chairman, if present, but if at any Meeting of Directors the Chairman be not present at the time appointed for holding the same, the Directors shall choose one of the Directors then present to preside at the meeting.
- 146 Save as otherwise expressly provided in the Act and subject to the other provisions of these Articles, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the chairman of the Board or the meeting, as the case may be, shall have a casting vote.
- 147 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.
- 148 If a Meeting of the Board cannot be held for want of a quorum, then the Meeting shall stand adjourned to such day, time and place as the Director or Directors present at the Meeting may fix.
- 149 If no such chairman is elected, or if at any meeting the chairman is not present within thirty minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

- 150 Subject to the provisions of Section 292 and/or such other applicable provisions of the Act and these Articles, the Board may from time to time, delegate / revoke / discharge any of its powers to any Person or Persons or committee(s) consisting of such member or members of its body as it thinks fit, including without limitation a managing director appointed by the Board.
- 151 All acts done by any such Person(s) / Committee(s) in conformity with the Articles and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act, the Board may from time to time fix the remuneration to be paid to any Person(s) or Committee(s) appointed by the Board in terms of these Articles, and may pay the same.
- 152 A committee may elect a chairman of its meetings.
- 153 If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairman of the meeting.
- 154 A committee may meet and adjourn, as it thinks proper.
- 155 Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairman shall have a casting vote.
- 156 The Meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceeding of the Directors so far as the same are applicable thereto, and are not superseded by the regulations made by the Directors under the last preceding Article. Subject to the provisions of the Act, no resolution shall be deemed to have been passed by a Committee at its meeting unless resolution is passed by a majority of members of the Committee as are entitled to vote on the resolution.
- 157 All acts done by 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.
- 158 Save as otherwise expressly provided in the Act, a resolution in writing passed by circulation without a meeting, 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 as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.
- 159 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.
- 160 The Company shall cause minutes of all proceedings of every meeting of its Board of Directors or every committee of the Board to be kept as and in manner prescribed under Section 193 and/or such other applicable provisions of the Act.

MANAGER OR SECRETARY

- 161 Subject to the provisions of the Act, -
- (a) A manager or secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or secretary so appointed may be removed by the Board.
- (b) A director may be appointed as manager or secretary.
- 162 The Secretary shall perform any functions which by the Act are to be performed by the Secretary and shall execute any other purely ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Board.
- 163 A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and the manager or secretary shall not be satisfied by its being done by or to the same Person acting both as director and as, or in place of, the manager or secretary.

THE SEAL

- 164 The Board shall provide for the safe custody of the seal. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the board authorised by it in that behalf, and except in the presence of at least one director; and the said director shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

- 165 The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 166 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.
- 167 The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper 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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- 168 The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
- 169 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.
- 170 No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these Articles as paid on the share.
- 171 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.
- 172 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.
- 173 Unless otherwise directed by the Member any dividend may be paid by cheque or warrant sent through the post/courier or in such other manner permitted under the law directed to the registered address of the Member or Person entitled or in case of joint holders to that one of them first named in the register in respect of the joint holding. Every such cheque shall be made payable to the order of the Person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission, or for any dividend lost to the Member or Person entitled thereto, by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.
- 174 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.
- 175 No dividend shall bear interest against the Company.
- 176 Subject to the provisions of the Act, the Board may from time to time pay to the Members on account of the next forthcoming dividend such interim dividends as it may deem fit.
- 177 Subject to the provisions of the Act and the Articles, the Board may retain the dividends payable upon shares in respect of which any Person is under Articles entitled to become a Member or which any Person under that Article is entitled to transfer until such shares are duly transferred or until such Person shall have become a Member in respect of such shares.

Unpaid or unclaimed dividend:

- 178 Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of Cinemax India

Limited” and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund. No unclaimed or unpaid dividend shall be forfeited by the Board.

- 179 Any General Meeting declaring a dividend may make a call on the Members for such amount as the meeting fixes but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and that the dividend may if so arranged between the Company and the Members be set off against the calls.
- 180 Any General Meeting may, subject to the provisions of the Act resolve that any profits or surplus moneys arising from the realisation and when permitted by law and appreciation in value of the capital assets of the Company be utilised wholly or in part by the distribution or specific assets and in particular of paid up shares, debentures or debenture-stock of the Company or of any other company or by the paying up any amount for the time being unpaid on any shares of the company or in any one or more of such ways and the Board shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular, may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such assets in trustees upon trust for the Persons entitled thereto as may seem expedient to the Board. Where required, the Board shall comply with Section 75 and/or such other applicable provisions of the Act and the Board may appoint any Person to sign such contract on behalf of the Persons entitled and such appointment shall be effective.

ACCOUNTS

Books of Accounts to be Kept

- 181 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 other term, shall be open for the inspection of Members not being directors.
- 182 No Member (not being a director) shall have any right of inspecting any accounts or books or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.
- 183 The books containing the minutes of the proceedings of any General Meeting of the Company shall be kept at the Registered Office or any other place designated by the Board and shall be open to inspection to any Member without charge on each working day (except Saturdays) between the hours to be fixed by the Board from time to time. Any Member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes on payment of such amount as may be permitted by law.

CAPITALISATION OF PROFITS

- 184 Subject to the provisions of Sections 78, 80 and 205 of the Act, the Company in general meeting may, upon the recommendation of the Board, resolve:-
- (i) that it is desirable to capitalize 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
 - (ii) that such sum be accordingly set free for distribution in the manner specified in the article immediately below amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- 185 The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in the article immediately below, either in or towards-
- (a) paying up amounts for the time being unpaid on any shares held by such Members respectively; or
 - (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up bonus shares to and amongst such Members in the proportions as aforesaid; or

- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).
- 186 A share premium account and capital redemption reserve may, for the purpose of these Articles, only be applied in the paying up unissued shares to be issued to Members of the Company as fully paid bonus shares.
- 187 The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- 188 Whenever such resolution as aforesaid shall have been passed, the Board shall-
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid up shares, if any, and
- (b) generally do all acts and things required to give effect thereto.
- 189 The Board shall have full power –
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and
- (b) to authorize any Person to enter, on behalf of all 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 capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- 190 Any agreement made under such authority shall be effective and binding on all such Members.

DOCUMENT AND SERVICE OF DOCUMENTS

- 191 The Company shall make service of any document on its Members in the manner provided in Section 53 and/or such other applicable provisions of the Act and such service shall be deemed to have been effected as provided in the Section 53 of the Act.
- 192 A document may be served on the Company or an officer thereof in the manner provided in Section 51 of the Act and such service shall be deemed to have been effected as provided in the Section 51 and/or such other applicable provisions of the Act.
- 193 Every Person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share, which previously to his name and address being entered on the register, shall have duly served on or sent to the Person from whom he derives his title to such share.
- 194 Save as otherwise expressly provided in the Act or these Articles, a document or proceedings requiring authentication by the Company may be signed by the Managing Director or a Director or the Secretary or an officer of the Company authorised by the Board and need not be under its seal.

WINDING UP

- 195 If the Company shall be wound up whether voluntarily or otherwise, 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. For this purpose, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determining how such division shall be carried out as between the Members or different classes of Members.
- 196 The liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator with a like sanction shall think fit, but so that no Members shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND RESPONSIBILITY

Directors and others right to Indemnity

- 197 Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.
- 198 Subject to the provisions of Section 201 and/or such other applicable provisions of the Act, the Managing Director and every Director, Manager, Secretary and other Officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of Directors, out of the funds of the Company, to pay all costs, losses and expenses (including traveling expenses) which any such Managing Director, Director, Manager, Secretary, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Managing Director, Director, Manager, Secretary, Officer or Employee or in any way in the discharge of his duties.
- 199 Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other Person shall incur or be about to incur any liability whether as principal or as surety for the payment of any such sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or Person so becoming liable as aforesaid from any loss in respect of such liability.

Responsibility for the acts of others

- 200 Subject to the provisions of Section 201 and/or such other applicable provisions of the Act, no Director or other Officers of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency of any security in which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any Person, company or corporation with whom any monies, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own dishonesty.

SECRECY

- 201 The Managing Director and every Director, Manager, Member of a Committee, Secretary, Officer, Servant, Accountant or other Person employed by the Company shall pledge himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and in matters relating thereto and shall always be bound 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 Board or by any meeting or by a Court of Law or by the Person to whom such matters relate and except in so far as may be necessary in order to comply with any of the provisions in these Articles.

Members Not Entitled To Information

- 202 No Member shall be entitled to visit or inspect any premises of the Company without the permission of the Managing Director or the Board or to require discovery of or any information relating to the Company's business, trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board shall be inexpedient in the interest of the Members of the Company to communicate to the public.

We, the several persons whose names and addresses are subscribed below are desirous of being formed into a Company in pursuance to these Articles of Association.

Sr.No.	Name, Address, Description and Occupation of Subscribers	Signature of Subscriber	Signature, Name, Address, Description and Occupation of witness
1.	MR. RASESH B. KANAKIA S/O. BABUBHAI KANAKIA 18, Ashish, Vallabh Nagar Society, N.S. Road No.4, Juhu, Mumbai – 400 056. Occupation: Business.	Sd/-	
2.	MR. HIMANSHU B. KANAKIA S/O BABUBHAI KANAKIA 20, Swastik Society, V.L. Mehta Road, Juhu, Mumbai – 400 056. Occupation: Business.	Sd/-	Witness to both Sd/- NILESH C. MEHTA S/o. Chandrakant H. Mehta 1, Alankar, 251, Sion Main Road, Sion (W), Mumbai – 400 022.
	TOTAL		

Date: The original Articles of Association were adopted on 22nd May 2002. The same were replaced with a new set of Articles of Association pursuant to resolution passed by the Members of the Company on the 12th June, 2006.