

MEMORANDUM AND ARTICLES
OF
ASSOCIATION
OF

BENARES HOTELS LIMITED

VARANASI, (U.P.) INDIA

Company converted into Public
Company from private company
vide F/23 dated 8.6.74



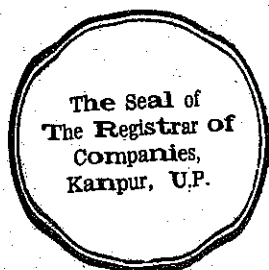
FORM I. R.

Certificate of Incorporation

No 3480 of 1971

I hereby certify that BENARES HOTELS LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

Given under my hand at Kanpur this 3rd day of November One thousand nine hundred and Seventy one.



Sd/-
(S. C. BASU)
Registrar of Companies, U.P.
Kanpur

MEMORANDUM OF ASSOCIATION
OF
BENARES HOTELS LIMITED

- I. The name of the Company is **BENARES HOTELS LIMITED**.*
- II. The Registered Office of the Company will be situated in the State of Uttar Pradesh.
- III. (A) The main objects to be pursued by the Company on its incorporation are :—
- (1) To adopt and carry into effect and affix Seal of the Company to the sale Deed and the Agreement entered into between the Promoters and the Confirming Party regarding the purchase of land admeasuring 16.25 acres at Nadesar, Varanasi.
 - (2) To adopt the said Sale Deed and the Agreement upon the terms therein setforth and be bound by the conditions therein contained and every member to join the Company on this basis.
 - (3) To build furnish and maintain and to carry on business of Hotel, Motel, Restaurants, Cafe, Tavern, Bar, Refreshment room and lodging-house-keepers.
 - (4) To carry on the business of licensed victuallers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors and caterers for public amusements.
 - (5) To carry on business of Beer-keepers, Licensed victuallers, wine, beer and spirit merchants, dealers in food stuffs of all kinds and variety.
 - (6) To carry on the business of hairdressers, perfumers, chemists, proprietors of clubs, discotheques, baths, dressing rooms, libraries, grounds, places of amusements, recreation, sports, entertainments and instruction of all kinds, tobacco and cigar merchants, agents for railway and shipping companies and carriers, theatrical and cinematography Box Office proprietors, entrepreneurs and general agents, and any other business which can be conveniently carried on in connection therewith.
- (B) The objects incidental and ancillary to the attainment of main objects are :—
- (1) To appoint and remunerate any Chairman, Directors, Managing Directors, Administrators, Managers, Accountants or other experts or agents.

Name of the Company.

Registered Office.

*By Special Resolution passed at an Extra-Ordinary General Meeting of the Company held on 8th June 1974 at the Registered Office of the Company the Company was converted from Private Limited Company into Public Limited Company by alteration of the Articles of Association of the Company and pursuant thereto it was resolved that word "Private" be deleted and omitted.

- (2) To form, manage, joint or subscribe to any syndicate.
- (3) To seek for and secure openings for the employment of capital in India and elsewhere and with a view thereto to prospect, inquire, examine, explore and test and to despatch and employ expeditions, commissioners, experts and other agents.
- (4) To purchase, take on lease or in exchange, hire or otherwise acquire, and to sell, exchange, surrender, lease mortgage, charge, convert, turn to account, dispose of, and deal with property and rights of all kinds and in particular mortgages, debentures, produce, concession, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns, and undertakings and claims, privilèges and choices in action of all kinds.
- (5) To advance, deposit, and lend money securities and property to or with such persons and on such terms as may seem expedient.
- (6) To constitute any trusts with a view to the issue of preferred and deferred or any other special stocks, securities, certificates or any other document based on or representing any shares, stocks or other assets appropriated for the purposes of any such trust, and to settle and regulate, and, if thought fit, to undertake execute any such trusts and to issue, hold or dispose of any such preferred, deferred or other special stocks securities, certificates or documents, subject to Sec. 153 of the Companies Act 1956.
- (7) To guarantee or become liable for the payment of any money secured by or payable under any debenture-stock, mortgages, charges, contracts, obligation and securities of any persons, firm or corporation, or for the performance and discharge of any duties and obligations of any person, firm or corporation, and generally to carry on and transact every kind of guarantee and counter guarantee business.
- (8) To extend or develop the business of the Company from time to time by purchasing, acquiring, by exchange or otherwise, or taking on lease, for the purpose of the Company in India or elsewhere any lands (whether freehold, leasehold or otherwise) with or without buildings standing thereon and any machinery, plant or other property (including trade marks, trade names and goodwill) of every description (moveable as well as immoveable) necessary or expedient for any business or objects or prospective business or requirements of the Company or any estate or interest in or right over any such property and by erecting, constructing and maintaining on any lands of or in the possession of the Company any factories, other buildings, structures, works and machinery plant and to let on hire and to improve, extend, repair, add to, alter, enlarge and remove all or any of the buildings, factories, premises, machinery and other things for the time being the property of the Company and to expend for such purposes from time to time sums of money as the Company may deem necessary or expedient.
- (9) To exchange, sell, convey, mortgage, assign or let on lease or leases the whole or any part of the property (whether moveable or immoveable) of the Company and to accept as consideration for or in lieu thereof other land or cash or Government Securities or securities guaranteed by the Government of India or Provincial or other Government or Municipal, Port Trust, Railway or other authority or shares, debentures, stock bonds or securities of any other joint stock Company or companies or partly the one or partly the other or such other property or securities as may be determined by the Company and to take back or reacquire any property

so disposed of by repurchasing or leasing the same for such price or prices and on such terms and conditions as the Company may think fit.

- (10) To undertake the payment of all rent and the performance of all covenants conditions and agreements contained in and reserved by any lease that may be granted or assigned to or be otherwise acquired by the Company.
- (11) To purchase the reversion or reversions or otherwise acquire the freehold or free simple of all or any part of the lands for the time being held under lease or for an estate less than a freehold estate by the Company.
- (12) To acquire by concession, grant, purchase, barter, lease, licence or otherwise any tract or tracts of country, in India or elsewhere together with such rights as may be agreed upon and granted by Government or the Rulers or owners thereof, and to expend such sums of moneys as may be deemed requisite and advisable in the exploration, survey and development thereof.
- (13) To acquire by concession, grant, purchase, amalgamation, barter, lease, licence, or otherwise, either absolutely or conditionally and either solely or jointly with others, any houses, lands, farms, quarries, water rights, way leaves and other works, privileges, rights and hereditaments and any machinery, plant, utensil, trade marks and other moveable and immoveable property of any description and for that purpose to enter into any arrangement with Government or authorities and to obtain from them all rights, concessions or privileges that may seem conducive to the Company's objects.
- (14) To purchase or otherwise acquire and undertake the whole or any part or any interest in the business, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any other Company, Corporation, partnership, body, persons or person carrying on, or having ceased to carry on any business which the Company, is authorised to carry on, or possessing property suitable for the purposes of the Company and upon such terms and subject to such stipulations and conditions and at or for such price or consideration (if any) in money, shares, money's worth, or otherwise as may be deemed advisable.
- (15) To apply for, purchase or otherwise acquire and obtain any patents, brevets, d'inventions, licenses, permissions, concessions, processes and the like conferring any exclusive or limited right (either in point of time or otherwise) to use the same or any secret or other information as to any invention which may seem capable of being used for any purpose of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account any such patents, inventions, processes and the like and the information so acquired.
- (16) To obtain any rights, concessions and privileges, permission and the like, periodical or otherwise, which may be considered conducive to the interests of the business of the Company from any Government, States, Municipalities, Local Boards, Museums, Libraries or any authorities, Supreme or otherwise and to enter into any arrangement in connection therewith and to carry out, use, exercise and comply with such rights, privileges, concessions and permission and arrangement.
- (17) To pay all costs, charges and expenses of and incidental to the formation, registration, advertisements and establishment of the Company and also

all costs, charges and expenses attending the issue of any circular or notice and the printing, stamping, circulating of proxies and forms to be filled up by the members of the Company.

- (18) To procure the incorporation, registration or other recognition of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply for or join in applying to any Parliament, Government, local, Municipal or other authority or body and to obtain or in any way assist in obtaining any acts of Parliament, laws, decrees, concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceeding or applications which may seem calculated directly to prejudice the Company's interests.
- (19) To open and keep a register in any country where it may be deemed advisable to do so and to allocate any number of the shares in the Company to such register or registers.
- (20) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of the Company.
- (21) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the property and right of the Company.
- (22) To expend money in experimenting upon and testing and improving or securing any process or processes copyrights, patent or patents, or protecting any invention or inventions, or copyrights which the Company may acquire or propose to acquire to deal with in connection with the main objects of the Company.
- (23) To accumulate funds and to lend, invest or otherwise employ moneys belonging to or entrusted to the Company upon any shares, securities or investments upon such terms as may be thought proper and from time to time to vary such investments in such manner as the Company may think fit.
- (24) To invest or deal with the moneys of the Company in any investments moveable or immoveable in such manner as may from time to time seem expedient and be determined. The Company shall not invest in its own shares.
- (25) To borrow or raise or secure the payment of money, or to receive money on deposit at interest for any of the purposes of the Company, and in such manner as may be thought fit and in particular by the issue of debentures perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities and as security for any such money so borrowed, raised or received or of any such debentures, so issued, to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient, and to purchase, redeem or pay off any such securities, provided that the Company shall not carry on any Banking business within the meaning of Banking Companies Act, 1947.
- (26) To draw, make, accept, endorse, discount, execute, and issue negotiate, assign, buy and sell and otherwise deal in cheques, drafts, promissory

notes, bills of exchange, hundies, debenture bonds, bills of lading, railway receipts, warrants, coupons and all other negotiable or transferable securities, instruments or documents.

- (27) To open an account or accounts with any individual firm or company or with any banks or bankers or shroffs and to pay into and to withdraw money from such account or accounts, whether they be in credit or otherwise.
- (28) To remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the debentures, or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.
- (29) To appoint Trustees (whether individuals or corporations) to hold securities on behalf of and to protect the interests of the Company.
- (30) To adopt such means of making known the businesses and/or products of the Company or of any Company in which the Company is interested as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prize, rewards and donations but the same will not amount to contribution to political parties directly or indirectly.
- (31) To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependants or connections of such persons by building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries; medical and other attendance and other assistance as the Company shall think fit and to give to any officer or person employed by the Company commission on the Net profits of any particular business or on the Net profits of the Company as may be allowed by law.
- (32) To subscribe or otherwise to assist or to guarantee money to charitable benevolent, religious, scientific, national, public, general, useful or other institutions, clubs, societies, funds or objects provided that no contribution will be made to political parties.
- (33) To dedicate, present or otherwise dispose of either voluntarily or for value, any property of the Company deemed to be of National, public or local interest, to any National trust, public body, Museum, Corporation, or authority or any Trustee for and on behalf of any of the same or of the public.
- (34) To aid pecuniarily or otherwise any association, body or movement having for an object the solution, settlement or surmounting of business or labour problems or troubles or the promotion of business or trade.
- (35) To communicate with chambers of commerce, and other mercantile and public bodies in India and elsewhere, and concert and promote measures for the protection and advancement of trade, industry and commerce and other facilities.
- (36) To act as arbitrators and for that purpose to nominate any person or persons on behalf of the Company in the settlement of disputes arising out of commercial transactions.

- (37) To amalgamate with or otherwise hold shares of any other Company whose objects are or include objects similar to those of the Company or whose amalgamation or holding of shares will directly or indirectly benefit this Company.
- (38) To create any reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, extending or maintaining any of the property of the Company or for any other purposes conducive to the interests of the Company.
- (39) To distribute in specie or kind any property of the Company among the members in case of liquidation.
- (40) To do all or any of the above things in any part of the world either alone or in conjunction with others and either as principals, agents, contractors, Trustees or otherwise and to allow any property to remain outstanding with such agents or Trustees.
- (41) To do all such other things that are incidental or conducive to the attainment of the above objects.

(C) The other objects are: —

- (1) To purchase, take on lease or in exchange, or otherwise acquire, either absolutely or by lease, license, concession, grant or otherwise, any lands, easements, rights and privileges and to lease out any such lands for buildings or agricultural use, and to sell or otherwise dispose of the lands, mines or other property of the Company.
- (2) To undertake and execute any other trusts, and also to undertake the office of executor, administrator, treasurer or registrar or any business and to keep for any Company, Government authority or body register relating to any stocks, funds, shares or securities or to undertake any duties in relation to the registration of transfers in the issue of certificates or otherwise.
- (3) To carry on the business of proprietors of motor and other vehicles, livery-stable keepers, job-masters, farmers, dairymen, icemERCHANTS, and importers and suppliers of food of Indian and foreign produce of all description.
- (4) To carry on the business of garage keepers and suppliers of and dealers in petrol, gas, fuel, electricity and other motive power to motors and other things.
- (5) To appropriate any particular property of the Company or any part thereof for the purpose of shops, offices and other places of business of the Company.
- (6) To carry on business of coiffurers and tour operators.
- (7) To carry on the business of performance of theatricals and exhibition of films.
- (8) To carry on the business of arranging contests of various games indoor and outdoor and beauty contests.
- (9) To carry on, either in connection with the business aforesaid or as distinct and separate business, the business of ice makers, ice vendors, manufacturers, hirers of and dealers in refrigerators, refrigerating chambers and apparatus relating thereto, builders and hirers of ware-

houses, freezing houses and cold stores of all commodities, goods or articles in refrigerators, ice chambers or otherwise.

- (10) To buy, sell, import, export, manipulate, prepare for market and deal in merchandise of all kinds, and generally to carry on business as merchants, importers and exporters.
- (11) To carry on the business of proprietors, agents, lessees, hirers, partners of studio, theatres, places of amusements or entertainments, music halls, cinemas, picture palaces and concert halls.
- (12) To carry on and undertake the business of (i) manufacturers, producers, dealers, exhibitors, and importers of raw films, chemicals, photographic and optical goods, cinema films, talking or silent, (ii) broadcasting and television transmission, (iii) reception by radio, (iv) gramophone records and recording by similar or other methods and (v) manufacturers, dealers, importers, exporters and hirers of each and every apparatus, machinery or accessories appertaining thereto.
- (13) To carry on business as tourist agents and contractors, and facilitate travelling, and to provide for tourists and travellers, or promote the provision of conveniences of all kinds in the way of tickets, circular tickets, sleeping cars or berths, reserved places, hotel and lodging accommodation, guides, safe deposits, inquiry bureaux, libraries, lavatories, reading rooms, baggage transport and otherwise.
- (14) To carry on the business of storekeeper in all its branches, and in particular to buy, sell, manufacture, and deal in goods, stores, consumable articles chattels and effects of all kinds, both wholesale and retail, and to transact every kind of agency business and generally to engage in any business or transaction which may seem to the Company directly or indirectly conducive to the interests or convenience of the Company's members or ticket holders or their friends or any section thereof.
- (15) To make arrangements with persons engaged in any trade, business, or profession, for the concession to the Company's members, ticketholders and their friends, of any special rights, privileges and advantages and in particular in regard to the supply of goods.
- (16) To carry on business as dealers in, and producers of dairy, farm, and garden produce of all kinds, and in particular milk, cream, butter, cheese, fruits and vegetables.
- (17) To carry on business as cow-keepers, farmers, millers and market gardeners, and as manufacturers of all kind of condensed milk, jam, pickles and preserved provisions of all kinds.
- (18) To develop and maintain pedigree herds of the best milch cows, and draft cattle and provide for the multiplication and distribution thereof.
- (19) To carry on business as pharmaceutical, manufacturing and general chemists and druggists, and manufacturers of and dealers in pharmaceutical and medicinal preparations and all kinds of toilet requisites, and manufacturers of all kinds of boxes and cases wholly of card, wood, metal or otherwise, and printers, publishers, stationers, candle makers, manufacturers of perfumes, collectors of flowers and perfume-producing vegetation.
- (20) To manufacture, buy, sell, and deal in mineral waters, wines, cordials, liquors, soups, broths, and other restoratives or food, specially suitable or to be suitable for invalids and convalescents.

(21) To engage in the business of manufacturing and sale toys of all kinds whether made from plastic, wood, metal, clay, cloth, ivory and paper or otherwise.

(22) To diffuse information as to sound principle of trading, and to impress upon the mercantile community the necessity of maintaining an intimate knowledge of the state of their affairs by periodical investigations, and by keeping correct sets of business books.

IV. Liability of the members is limited.

V. The capital of the Company is 1,50,00,000/- Rupees one Crore Fifty Lacs divided into 15,00,000 shares of Rs. 10/- each with power to increase and to reduce the capital of the company for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company and subject to the provision of the Companies Act in force.

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

Name, address, description and occupation of subscribers	Signature of subscriber	No. of shares taken by each subscriber	Name, address description and occupation of witnesses
H. H. MAHARAJA VIBHUTI NARAIN SINGH MAHARAJA OF BENARES S/o, His Late Highness MAHARAJA SIR ADITYA NARAIN SINGH BAHADUR, FORT, RAMNAGAR, VARANASI.	Sd/ Vibhuti Narain Singh	5 (Five)	ग.ची. रमाशंकर सिंह पुत्र चौधरी हरिहर प्रसाद सिंह मुहल्ल रामपुर रामनगर वाराणसी
JOGENDRA NARAIN THAKUR S/o, Balgobind Thakur, FORT, RAMNAGAR, VARANASI. (Service)	(9) Sd/ Jogendra Narain Thakur	5 (Five)	
RAMESH CHANDRA DE S/o Late Sirish Chandra De B 16/38 Pandey Haveli, VARANASI. (Service)	Sd/ Ramesh Chandra De	5 (Five)	
RAMESH CHANDRA DE Secretary Imlak (VARANASI) Development Private Ltd; Fort, Ramnagar, VARANASI.	Sd/ Ramesh Chandra De	5 (Five)	
	Total	20 (Twenty)	Phanindra Nath Bose S/o, Late Mohindra Nath Bose B 20/67, Bhelpura, VARANASI I. (Service)

Dated this

day of

1974.

ARTICLES OF ASSOCIATION OF BENARES HOTELS LIMITED

INTERPRETATION

1. The marginal notes hereto shall not affect the construction hereof. In these presents, unless there be something in the subject or context inconsistent therewith:—

Interpretation

“The Company” means BENARES HOTELS LIMITED.

“Special Resolution” and “Ordinary Resolution” shall have meanings assigned thereto respectively by Section 189 of the Companies Act 1956 or by any other statutory modification thereof from time to time.

“Office” means the registered office for the time being of the Company.

“The Act” means ‘The Companies Act 1956’ or any statutory modification or substitution thereof for the time being in force.

“The Articles” means these Articles of Association and shall include the Articles as may from time to time be substituted, altered or amended by the Company in General Meeting.

“Directors” means the Directors for the time being of Company.

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

“Register” means the register of members required to be kept pursuant to Section 150 of Act.

“Seal” means the Common Seal of the Company.

“Dividend” includes bonus but excludes bonus shares.

“Month” means Gregorian Calendar Month.

“Shareholders” or “Members” means the duly registered holders from time to time of the shares of the Company.

“Proxy” means an instrument whereby any person is authorised to vote for a shareholder at a meeting of the Company or on a poll.

“In writing” and “written” include printing, typewriting, lithography and other modes representing, or reproducing words in a visible form.

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

Words importing the masculine gender only, include the feminine gender or neuter gender as the case may be and vice versa.

Words importing persons include corporations.

Subject as aforesaid any word or expression in these articles shall except where the subject or context forbids, bear the same meaning as in the Act.

Table "A" not to apply.

Company to enter into agreement.

2. The regulations contained in Table A in the first Schedule to the Act, shall not apply to the Company.

3. The Company shall enter into the following agreement:

(a) The Sale Deed and Agreement made between His Highness Maharaja Shri Vibhuti Narain Singh of Benares of one Part and the Promoters of the Other Part whereby the Company will purchase land admeasuring 16.25 acres at Nadesar, Varanasi from the Vendor.

(b) The Sale Deed and Agreement specified in Clause (a) has been duly executed on 16th August 1971 by the Confirming Party and the Promoters and the Company shall in due course after the incorporation of the Company adopt and carry into effect and affix the Seal of the Company to the Sale Deed and the Agreement.

(c) The basis on which the Company is established is that the Company shall adopt the said Sale Deed and Agreement upon the terms therein contained and accordingly it shall be no objection to the said agreement that party to the said Agreement is interested in the said Agreement and in the consideration thereby conferred or that such party is the promoter of Director of the Company or stands in fiduciary position towards the Company or that in the circumstance the Directors do not constitute an independent Board and every member of the Company present or future shall be deemed to join the Company on this basis.

No purchase of or loans on Company's Shares.

4. None of the funds of the Company shall, except as provided by Section 77 of the Act be employed in the purchase of its own shares, unless a consequent reduction of capital is effected and sanctioned in pursuance of Sections 100 to 104 or Section 402 of the Act or be employed in giving either directly or indirectly or whether by means of loan, guarantee, the provision of security or otherwise, any financial assistance for the purposes of or in connection with the purchase or subscriptions made or to be made by any person of or for any shares in the Company or in its holding Company.

Return as to allotment.

5. As regards all allotments from time to time made, the Company shall duly comply with Section 75 of the Act.

Amount on application.

6. The amount payable on application on each share of the Company offered to the public for subscription shall not be less than 5 per cent of the nominal amount of the share.

ALLOTMENT OF SHARES, ETC

Allotment of shares

7. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors, who may—allot or otherwise dispose of the same or any of them to such persons in such proportions and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper and with the sanction of the Company in general meeting to give to any person the call of any shares either at par or at a premium or subject as aforesaid at a discount and for such time and for such consideration as the Directors think fit. Provided that an option or right to call for or be allotted shares of the Company shall not be given to any person or persons except with the sanction of the Company in General Meeting.

Directors may allot shares as fully paid up.

8. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services

rendered to the Company or for any other consideration in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up shares and if so issued shall be deemed to be fully paid up shares or partly paid up shares as the case may be.

9. An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register, shall, for the purpose of these Articles, be a Member.

Acceptance of shares.

10. The money (if any) which the Directors shall on the allotment of any shares by them, require or direct to be paid by way of deposit, call or otherwise shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Deposit call etc. to be a debt payable immediately.

11. Every member or his heirs, executors or administrators or legal representatives shall pay to the Company the proportion of the capital represented by his share or shares which may for the time being have remained unpaid thereon in such amounts, at such time or times and in such manner as the Directors shall from time to time in accordance with the Company's regulations require.

Liability of Members.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

12. The Capital of the Company is Rs. 1,50,00,000/- (Rupees One Crore fifty lacs) divided into 15,00,000 shares of Rs. 10/- each PROVIDED ALWAYS that the Company shall have power to increase or reduce or consolidate or sub-divide the capital of the Company for the time being and from time to time to divide the shares of the original or new capital into several classes and denominations and to issue any shares of the original or new capital of the Company for the time being with such preferential, qualified or special rights, privileges, or conditions attached thereto respectively including rights to dividends and in the distribution of assets of the Company and rights of voting as may be determined by the Company from time to time in accordance with the Articles of Association of the Company subject to the provisions of the Act for the time being in force and to vary, modify or abrogate any such rights, privileges, or conditions in such manner as the Company may from time to time determine in accordance with the Articles of Association of the Company and Subject to the provisions of the said Act.

Capital.

13. (a) The said Preference shares, shall confer on the holders thereof the right out of the profits of the Company which it shall determine to distribute in dividends, to a fixed cumulative preferential dividend at the rate of 9½% per annum on the capital for the time being paid or credited as paid thereon respectively, to be calculated from the date of allotment of the said shares, and also the right in a winding up of the Company, to payment of the capital and arrears of dividends, whether or not earned or declared up to the commencement of the winding up, in priority to the said Ordinary Shares of the Company but shall not confer any further rights to participate in the profits or assets. The voting rights on Preference Shares shall be as provided by S. 87 of the said Act.

(b) The term "profits" used in this clause shall be deemed to consist of such moneys as shall from time to time be declared by the Directors to be available for distribution in dividends in terms of the Articles of

Association of the Company, and it is hereby expressly provided that the Directors shall have power before recommending any dividend, to set aside, subject to the provisions of the Act for the time being in force out of the profits of the Company such sums as they think proper for depreciation or to depreciation fund, reserve fund or sinking fund or any special or other funds to meet contingencies or to repay redeemable Preference Shares, Debentures or debentures stock, or for special dividends or for equalising dividends or for replacing, repairing, improving, extending and maintaining any part of the property of the Company and for any other purposes as the Directors may in their absolute discretion think conducive to the interest of the Company.

Redeemable Preference Shares.

14. The Company shall have power to issue Preference shares which shall be liable to be redeemed at the option of the Company, and the Directors may, subject to the provisions of Section 80 of the Act, exercise such power in any manner they may think fit.

Power to increase capital.

15. The Company in General Meeting may from time to time increase the capital by the creation of new shares of such amount and upon such terms and conditions as may be deemed expedient.

On what conditions New Shares may be issued.

16. Subject to the provisions of Sections 85 to 89 of the Act, the New Shares shall be issued upon such terms and conditions and with such rights and privileges or qualified rights annexed thereto as the General Meeting resolving on the creation thereof shall direct and if no directions be given as the Directors shall determine; and in particular such shares may be issued with preferential, special or qualified rights, privileges or conditions attached thereto respectively including rights to dividends and in the distribution of assets of the Company or otherwise and with a special or without any right of voting.

To be offered to existing Members.

17. Whenever the Directors decide to increase the capital of the Company by the issue of further shares, then subject to the provisions of the Act and these presents and to any directions given by the Company in General Meeting such shares shall be offered to the holders of Equity shares of the Company in proportion "as nearly as circumstances admit to the capital paid up on those shares" and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer, if not accepted, will be deemed to be declined; and after the expiration of such time, or on receipt of an intimation from the member to whom such notice is given, that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they may think fit.

How far new Shares to rank with shares in original capital.

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

Reduction of capital etc.

19. Subject to the provisions of the Act in that behalf the Company may, from time to time, by Special Resolution reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets, or reducing the liability on the shares or otherwise as may be deemed expedient and capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

SUB-DIVISION AND CONSOLIDATION OF SHARES

20. The Company in General Meeting may by Ordinary Resolution:—

- (a) Consolidate and divide all or any of its share capital into shares having large amount than its existing shares.
- (b) Convert all or any of its paid-up shares into stock and reconvert that stock into paid-up shares of any denomination.
- (c) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of the Act.
- (d) Cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person, and diminish the amount of the share capital by the amount of the share so cancelled.

Sub division and consolidation etc. of shares and conversion of shares into stock.

MODIFICATION OF RIGHTS

21. (a) If at any time the share capital is divided into different classes of shares, the rights attached to any class may, subject to the provisions of Sections 106 and 107 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 general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-fifth of the issued shares of the class in question.
- (b) The rights conferred upon the holders of the shares of any class issued with preferred rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

COMMISSION AND BROKERAGE

22. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures or debenture stock of the Company, but so that if the commission shall be paid, or payable out of capital, statutory conditions and requirements shall be observed and complied with and the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of the debentures two and a half per cent of the price at which debentures are issued. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company. The Company may at any time also pay such brokerage as may be lawful or any issue of shares or debentures to bonafide brokers at a rate not exceeding Rs. 1.50 P. (One Rupee and Fifty Paise) on each share in the Company applied for through them.

Commission for placing shares.

23. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provisions of any works plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of the share capital as is for the time being paid up for the period, at the rate and subject to the conditions and restrictions provided by the Act and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

Payment of interest out of capital.

SHARES

Instalments on shares to be duly paid.

24. If by the terms of issue of any shares or otherwise the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or by his executor or administrator.

Liability of Joint holders.

25. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls and any other payments due in respect of such share and for all incidents thereof according to the Company's regulations, but such one of them as shall be first named in the Register save as provided in these Articles shall as regards receipt of dividends or bonus, service of notice and all or any other matters connected with the Company except voting at meeting and transfer of shares be deemed the sole holder thereof.

Person or persons recognised on death of one or more of jointholders.

26. In the case of death of any one or more of the person named in the Register as joint holders of any share or shares the survivor or survivors shall be the only person or persons recognised by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the state of deceased joint holder from any liability on shares held by him jointly with any other person.

Trusts not recognised.

27. Subject to the provisions of the act and save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by law required be bound to recognise any benami or equity or equitable or other claim to or contingent future or partial interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

Place of residence.

28. Every shareholder shall supply to the Board of Directors an address in India to be registered as his address and such address shall for all purposes be deemed as his address.

Notice of change of name or of marriage of members.

29. No member who shall change his name or who being a female, shall marry, shall be entitled to recover any dividend, until notice of change of name or of marriage has been given to the Company.

In whose name shares may be registered.

30. Shares may be registered in the name of any person or body corporate but not in name of a person who is a minor or declared to be of unsound mind nor shall more than four persons be registered as joint holders of any share.

CERTIFICATES

Certificates.

31. The certificates of title to shares shall be issued in accordance with the provisions of the Companies (Issue of Share Certificates) Rules 1960.

Member's right to Certificates.

32. The Company shall, within three months after the allotment of any of its shares, debentures or debenture stock and within one month after the application for the registration of the transfer of any such shares, debentures or debenture stock complete and have ready for delivery the certificates of all shares, debentures, debenture stock allotted or transferred, unless the conditions of issue of the shares, debentures or debenture stock otherwise provide.

As to issue of new certificate in place of one defaced, lost or destroyed.

33. If any certificate be worn out, defaced, destroyed or lost or if there is no further space on the back thereof for endorsements of transfer, it may be renewed or replaced, and when the certificate is defaced, destroyed or lost such renewal or replacement may be effected on payment of such sum not exceeding one rupee as the Directors may from time to time prescribe, Provided However, that such new certificate shall not be granted except upon delivery up of the worn out or defaced or used up certificate for the purpose of cancellation or upon proof of destruction or loss to the satisfaction of the Directors and on such indemnity and/or security as

the Directors deem adequate in the case of the certificate having been destroyed or lost. Any renewed certificate may be marked as such. The Company shall not charge any fee for issue of new share certificate(s) in replacement of those which are old, decrepit or worn out, or where the pages on the reverse for recording transfers have been fully utilised; for Registration of any power of attorney, probate, letters of administration or other similar documents. The Company will not charge any fees exceeding those which may be agreed upon with the exchange for issue of new certificate(s) in replacement of those that are torn or defaced, lost or destroyed; for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment and split, consolidation, renewal and pukha transfer receipts into denominations other than those fixed for the market units of trading.

34. The certificate or shares registered in the name of two or more persons may be delivered to any one of the persons named in register on behalf of all and any such delivery shall be sufficient delivery to all.

To which of joint holders certificate to be issued.

CALLS

35. The Directors may from time to time but subject to the provisions of Section 91 of the Act and to any terms on which any shares may have been issued or allotted make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.

Calls.

36. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

When call deemed to have been made.

37. Not less than 30 days or one month notice of any call shall be given specifying the time and place of payment, and to whom such call shall be paid.

Notice of Call.

38. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made, or the instalment shall be due, shall be liable to pay interest for the same, from the day appointed for the payment thereof to the time of the actual payment, at such rate not exceeding nine per cent per annum as the Directors may determine but nothing in this Article shall be deemed to make it compulsory upon the Directors to demand or recover any interest on such sum. The Directors shall be at liberty to waive payment of any such interest either wholly or in part.

When interest on call or instalment payable.

39. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalment at fixed times whether on account of the share or by way of premium in such amount or instalment shall be payable as if it were a call duly made by the Board and of which the notice had been given and all the provisions contained in respect of calls including provisions as to payment of interest shall relate to such amount or instalment accordingly.

Amount payable at fixed times or payable by instalments as Calls.

40. On the trial or hearing of any action for the recovery of any money due, on any call, it shall be sufficient to prove that the name of the members sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence in action for call.

41. Neither a judgment or decree in favour of the Company for the amount of calls or other moneys due in respect of any shares nor any part payment or part

Partial payment not to preclude forfeiture.

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 to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceedings to enforce a forfeiture of such shares as hereinafter provided.

Payment of calls in advance.

42. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the capital 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 Directors agree upon. Money so paid in excess of the amount of calls shall not rank for dividend or participate in profits and member making such advance shall not be entitled to any voting rights in respect of the moneys so paid by him until such moneys would become presently payable. And the Directors may at any time repay the amount so advanced upon giving such member three months' notice in writing.

Application of money due to shareholder towards unpaid calls.

43. Any money due from the Company to a shareholder either for interest, dividend or bonus or otherwise, however, may without the consent of the shareholder be applied by the Company in or towards the payment of any money due from him to the Company, for calls or otherwise.

Power to differentiate Revocation of call.

44. Subject to the provisions of Section 91 of the Act, the Directors may make arrangement on the issue of shares to differentiate between the holders in the amount of calls to be paid in the times of payment. A call may be revoked or postponed at the discretion of the Board.

FORFEITURE AND SURRENDER OF SHARES

If call or instalment not paid notice may be given.

45. If any member fails to pay any call or instalment on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment remains unpaid serve a notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such payment.

Form of Notice.

46. The notice shall name a day (not being less than 30 days or one month from the date of the notice) and a place or places on and at which such call, instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call instalment or money is or are payable will be liable to be forfeited.

If notice not complied with shares may be forfeited.

47. If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given, may, at any time thereafter, before payment of all calls, instalments, interest and expenses due in respect thereof be forfeited by a resolution of the Directors to that effect.

Notice of forfeiture to Members.

48. When any shares shall have been so forfeited, notice of forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members. But accidental non-receipt of notice of forfeiture by the defaulting share-holder shall not be a ground for relief against forfeiture.

Forfeited share to become property of company.

49. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot or otherwise dispose of the same to such person and on such terms as they think fit.

50. The Directors may if necessary authorise some person to transfer any such forfeited share to any other person as aforesaid.

Power to authorise person to transfer.

51. Any member whose shares have been forfeited shall notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such share at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment at such rate not exceeding 9 per cent per annum as the Directors may determine and the Directors may enforce the payment thereof if they think fit but shall be under no obligation to do so.

Arrears paid notwithstanding forfeiture.

52. 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 other rights incident to the share, except only such of those rights as by these presents are expressly saved.

Effect of forfeiture.

53. A duly verified declaration in writing of a Director or Secretary of the Company that the declarant is a Director or 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, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale or disposal thereof together with the certificate of proprietorship of the share delivered to the purchaser or allottee thereof shall (subject to the execution of a deed of transfer if the same be necessary) constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share discharged from all calls due prior to such sale or disposal and 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 proceeding in reference to the forfeiture, sale or disposal of the share.

Declaration of forfeiture.

54. The Directors may at any time so far as may be permissible by law accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Directors may think fit.

Directors may accept surrender of shares.

55. Until any share forfeited as aforesaid shall be sold reallocated or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion of the Directors, be remitted and annulled as a matter of grace and favour and not as of right, on payment to the Company of the money which was owing thereon to the Company at the time of forfeiture thereof being declared, with interest on the same upto the time of the actual payment thereof, if the Directors shall think fit to receive the same, or any other terms which the Directors may deem reasonable.

Forfeiture may be remitted.

56. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of the issue of a share becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium as if the same had been payable by virtue of a call duly made and notified.

Application of forfeiture provisions.

CONVERSION OF SHARES INTO STOCK

57. When any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interests in the same manner and subject to the same regulations as and subject to which fully paid-up shares may be transferred or as near thereto as circumstances will admit, but the Directors may from time to time fix minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the face value of the shares from which the stock arose.

Transfer stock.

Rights of Stock holders.

58. The stock shall confer on the holders thereof respectively the same privileges and advantages as regards participation in profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock arose, but so that none of such privileges or advantages, except the participation in profits of the Company, shall be conferred by any such aliquot part of considered stock as would not, if existing in shares, have conferred such privileges or advantages. And save as aforesaid, all the provisions herein contained as far as circumstances will admit apply to stock as well as to shares. No such conversion shall affect or prejudice any preference or other privileges.

LIEN

Company's lien on shares and dividends.

59. The Company shall have a first and paramount lien upon shares other than fully paid up shares registered in the name of any member, either alone or jointly with any other person and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares, and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors may at any time declare any shares to be exempt, wholly or partially, from the provisions of the Article. Unless otherwise agreed the registration of a transfer of share shall operate as a waiver at the Company's lien, if any, on such share.

As to enforcing lien by sale.

60. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intimation to sell shall have been served on such member, or the person, if any, entitled by transmission to the shares and default shall have been made by him or them in payment of such monies called or payable at fixed time, for 30 days or one month after such notice.

Application of proceeds of sale.

61. The net proceeds of any such sale shall be applied in or towards satisfaction of the said monies called or payable at a fixed time, the balance (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares at the date of the sale.

Directors may enter Purchaser's name in share register.

62. Upon any such sale as aforesaid the Directors may appoint some person to execute an instrument of transfer of the shares sold and enter the Purchaser's name in the register as holder of the shares, and the Purchaser shall not be bound to see to the regularity of the proceedings or to the application of the Purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Where any share under the powers in that behalf herein contained is sold by the Directors and the certificate in respect thereof has not been delivered to the Company by the former holder of such share, the Directors may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up.

TRANSFER AND TRANSMISSION

Register of Transfers.

63. The Company shall keep a book to be called the Register of Transfers and therein shall be fairly and distinctly enter the particulars of every transfer or transmission of any shares.

Execution of transfers etc.

64. The instrument of transfer of any share shall be signed both by the Transferor and Transferee, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof, and it shall not be lawful for the Directors to register a transfer of shares or debentures of the Company unless the proper instrument of transfer duly stamped

(c) records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service of documents

6. Notwithstanding anything in the Act or these Articles to the contrary, 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.

Transfer of Securities

7. Nothing contained in Section 108 of the 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.

Allotment of Securities Dealt with by a Depository

8. Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

Distinctive numbers of Securities held in a Depository

9. Nothing contained in the Act or these Articles, regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

Register and Index of Beneficial Owners

10. 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 for the purposes of these Articles.

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57A DEMATERIALISATION OF SECURITIES

- Definitions
1. For the purpose of this Article:
'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;
'SEBI' means the Securities & Exchange Board of India;
'Depository' means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992; and
'Security' means such security as may be specified by SEBI from time to time.
- Dematerialisation of Securities
2. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.
- Options for Investors
3. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its records the name of the allottee as the beneficial owner of the security.
- Securities in depositories to be in fungible form
4. All securities held by a depository shall be dematerialised and shall be in a fungible form. Nothing contained in Sections 153, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- Right of depositories
- 5 (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owners.
- (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.
- Every person holding securities of the Company and whose name is entered as the beneficial owner in the

and executed by transferor and transferee has been delivered to the Company at the office along with the certificate of the shares to be transferred. Provided that where it is proved to the satisfaction of the Directors that an instrument of transfer signed by the transferor and transferee has been lost, the Directors may in their absolute discretion on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity and/or security as the Directors may think fit, Separate instruments of transfer shall be completed and delivered as aforesaid for the different classes of shares held by a member.

65. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof.

Execution of transfer etc.

66. The Directors may, subject to the right of appeal conferred by Section 111 of the Act, in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares being not fully paid-up and their power or discretion to refuse such transfer shall not be affected by the fact that the proposed transferee is already a registered member of the Company. If the Directors refuse to register the transfer, they shall, within two months from the date of which the instrument of transfer or the intimation of transmission was lodged with the Company, send to the transferor and the transferee notice of the refusal.

Director may refuse to register transfers without assigning any reason.

No transfer shall be made to a minor or person of unsound mind.

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

67. Every instrument of transfer shall be left at the office for registration accompanied by the certificate of shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the share.

Transfer to be left at office and evidence of title given.

68. All instruments of transfer which shall be registered shall be retained by the Company and remain in its custody, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may from time to time determine.

When transfer to be retained.

69. The Company will not make any charge for registration of transfer to its shares and debentures and for sub-division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and split, consolidation, Renewal and Pucca Transfer Receipts into denominations corresponding to the market units of trading.

Fee on transfer.

70. The Directors may on giving not less than seven days previous notice by advertisement in some paper circulating in district in which the office of the Company is situated close the transfer books of the Company for any time or times, not exceeding in the whole 45 days in each year and 30 days at a time.

When transfer books may be closed.

71. The executor or administrator of a deceased member (whether European, Hindu, Mohamedan, Parsee or otherwise) shall be the only person recognised by the Company as having any title to his share except in cases of joint holders in which case the surviving holder or holders or the executor or administrator of the last surviving holder shall be the only person entitled to be recognised, but nothing herein contained shall release the estates of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him. The Company shall not be bound to recognise such executor or administrator unless he shall have obtained Probate or Letters of Administration or other legal representation as the case may be from a competent court in India provided

Shares of deceased member.

nevertheless that it shall be lawful for the Directors at their absolute discretion to dispense with the production of the Probate or Letters of Administration or such other legal representation upon such terms as to indemnity and/or security or otherwise as to the Directors may seem fit.

72. Any person becoming entitled to shares in consequences of the death, lunacy or bankruptcy of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title, as the Directors, in their discretion think sufficient may, with the consent of the Directors (which they shall not be under any obligation to give) and on giving such indemnity and/or security as the Directors think fit either be registered himself as the holder of such shares or elect to have some person nominated by him and approved by the Directors registered as the Transferee thereof. This clause is hereinafter referred to as "the transmission clause".

73. Subject to any other provisions of these presents, if the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing to his nominee a transfer of such shares. All limitations, restrictions and provisions of these present relating to the rights to transfer and the registration of transfer shall be applicable to any such transfer as aforesaid.

74. Every transmission of shares shall, if required by the Directors, be evidenced by an instrument of transmission in such form and shall be verified in such manner as the Directors may require and the Directors may decline to register any such transmission unless it shall be in such form and so verified and the regulations of the Company complied with. All instruments of transmission which shall be registered shall remain in the custody of the Company for such a period as the Directors may determine, but any instrument of transmission which the Directors may decline to register or act upon such be returned to the person depositing the same.

75. The Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

76. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register of Members) or any transmission of shares to the prejudice of person having or claiming any equitable right, title or interest to or in the shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice, prohibiting registration of such a transfer or transmission and may have entered such notice, or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless, be at liberty to have regard and attend to any such notice effect thereto, if the Directors shall in their discretion so think fit.

77. Copies of the Memorandum and Articles of Association of the Company shall be furnished by the Directors to every shareholder at his request on repayment of a sum of Rupee one for each copy within 7 days from the receipt of such request.

BORROWING POWERS

78. Subject to the provisions of Section 293 of the Act the Directors may from time to time at their discretion raise or borrow with or without security or secure

debentures of the Company unless the proper instrument or transfer stamp

As to transfer of shares of deceased or bankrupt members. (Transmission Clause).

Transfer by such person to his nominee.

Evidence of transmission.

Directors may refuse to register transmission.

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

Copies of Memorandum and Articles of Association to be furnished by Directors.

Power to Borrow.

the payment of any sum or sums of money in any manner and on any terms they think fit for the purpose of the Company.

79. The Directors may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions, in all respects as they think fit, and in particular by the issue of debentures or debenture stock of the Company or by mortgage, pledge, charge or hypothecation of all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Conditions on which money may be borrowed.

80. (1) Debentures, 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.

Securities may be assignable free from qualities.

(2) Save as provided in Section 108 of the Act, no transfer of debentures or debenture stock be registered unless a proper instrument of transfer duly stamped and executed by the Transferor and the Transferee has been delivered to the Company together with Certificate or Certificates of debentures or debenture stock.

Instrument of Transfer.

(3) Subject to the provisions of Section 111 if the Act, the Board may without assigning any reason refuse to register the transfer of any debenture or debenture stock.

Power to refuse registration of transfer.

81. Any debentures, debenture stock, bonds or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meeting of the Company, appointment of Directors and otherwise. Provided that the Directors shall not without the sanction of the Company in General Meeting issue debentures, which confer on the holders thereof the right to allotment of shares or to convert the same into shares or the right to vote in the General Meeting of the Company.

Issue at discount etc. or with special privileges.

82. The Directors shall cause a proper register to be kept, in accordance with Section 143 of the Act of all mortgages and charges specifically affecting the property of the Company, and shall duly comply with the requirements of Sections 125 and 138 of the Act, in regard to the registration of mortgages and charges therein specified or the satisfaction thereof and otherwise.

Register of Mortgages to be kept.

83. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may by instrument under the Company's seal, authorise the person in whose favour such mortgage or security 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 either to the exclusion of the Directors' powers or otherwise, and shall be assignable if expressed so to be.

Mortgage of Uncalled Capital.

MEETINGS

84. The Statutory meeting of the Company shall as required by Section 165 of the Act, be held within a period of not less than one month nor more than six months from the date of which the Company is entitled to commence business, and at such place as the Directors may determine and the Directors shall comply with the other requirements of that section as to the report to be submitted and otherwise.

Statutory Meeting

85. The First Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and thereafter all Annual General Meetings of the Company shall be held within the time specified by the Section 166 of the Act and at such times and places as the Directors may determine.

Annual list of members and Summary.

Distinction between Annual and Extraordinary Meeting.

Extraordinary General Meetings.

86. The Company shall within 60 days from the date of each Annual General Meeting prepare a return and file the same with the Registrar of Companies, Kanpur, in accordance with the provisions of Section 159 and 161 of the Act.

87. The General Meeting referred to in Article 85 hereof shall be called Annual General Meeting, all other meetings of the Company shall be called Extraordinary General Meetings.

88. The Directors may, whenever they think fit, and they shall on the requisition of the holders of not less than one-tenth of the issued capital of the company, as at that date carries the right of voting in regard to that matter, forthwith proceed to convene an Extraordinary General Meeting of the Company and in the case of such requisition subject to the provisions of Section 169 of the Act the following provisions shall have effect:—

- (1) The requisition must state the object of the meeting and must be signed by the requisitionists and deposited at the office and may consist of several documents in like form each signed by one or more requisitionists.
- (2) If the Directors of the Company do not proceed within twenty one days from the date of the requisition being so deposited to cause a meeting to be called, requisitionists representing either a majority in value of the paid up share capital held by them or not less than one-tenth of the paid up share capital of the Company, whichever is less, may themselves call the meeting but in either case any meeting so called shall be held within forty-five days from the date of deposit of the requisition.
- (3) Any meeting called under the Article by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by Directors.

Notice of meeting to pass Special Resolution.

89. Where it is proposed to pass a Special Resolution not less than twenty-one clear days notice specifying the place, day, and hour of meeting, and the intention to propose the resolution as a Special Resolution, shall be given in manner hereinafter mentioned to the persons entitled to receive notice of the meeting provided that, if all the members entitled to attend and vote at such meeting, so agree, a resolution may be proposed and passed as a Special Resolution at a meeting of which less than twenty-one clear days' notice has been given.

Notice of Meeting.

90. In case of meetings, other than an Annual General meeting, shorter notice specifying the place, the day and hour of meeting and the nature of the business to be transacted at the meeting, may, subject to provisions of Section 171 of the Act be given to the persons entitled to receive notice of the meeting with the consent of the members holding ninety-five per cent or such part of the paid up share capital of the Company as gives a right to vote at such meeting. In case of an Annual General Meeting such shorter notice may be given with the consent of all members entitled to vote thereat.

By whom to be signed.

91. Every such notice shall be signed by the Director, or by such other officer as the Directors may appoint, except in case of a meeting called by share-holder requisitionists in accordance with these presents, in which case the notice may be signed by the shareholders convening the same, or by any two or more of them.

As to omission to give Notice.

92. The accidental omission to give any such notice to or non-receipt of any such notice by any of the members shall not invalidate the proceedings at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

Business of Annual General Meeting.

93. The business of the Annual General Meeting shall be to receive and consider the profit and loss account, balance sheet and the reports of the Directors and of the Auditors, to elect Directors in place of those retiring by rotation and to declare dividends and to appoint auditors and fix their remuneration. The

Company, may, however, transact any other special business thereat after complying with the provisions of Section 173 of the Act.

94. No business shall be transacted at any General Meeting unless there shall be present in person at the commencement of the business five or more members.

95. The Chairman (if any) of the Directors shall be entitled to take the chair at every General Meeting, or if there be no such Chairman, or in case of his absence or refusal to preside or, if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, the members present shall choose another Director as Chairman and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall choose one of their number to be Chairman.

96. If within half an hour from the time appointed for meeting a quorum is not present the meeting if convened upon such requisition as aforesaid shall be dissolved, but in any other case it shall stand adjourned for fifteen minutes on the same day or to such other day and to such place as the shareholders present at the expiration of half an hour determine and if no such time and place be determined, to the same day in the next week, at the same time and place, and if at such adjourned meeting a quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.

97. No business shall be discussed at any General Meeting, except the election of a Chairman, while the chair is vacant.

98. At any General Meeting a resolution put to vote of the meeting shall be decided on a show of hands unless a poll (before or on the declaration of the result of the show of hands) is ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less one-tenth of the total voting power in respect of the Resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid-up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.

manner and at such time, not later than the forty-eight hours from the time when the demand was made at such place in Varanasi as the Chairman of the meeting directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of poll may be withdrawn at any time by the person or persons demanding the same.

101. (1) The Chairman of a General Meeting may with the consent of the meeting adjourn the same from time to time place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

102. Any poll duly demanded on the election of a Chairman of a meeting or

Chairman of General Meeting.

When if quorum not present meeting to be dissolved and when to be adjourned.

Business confined in election of Chairman while Chair vacant.

Motion how decided.

Chairman to have a casting vote.

Poll.

Power to adjourn General Meeting.

In what cases poll taken without adjournment.

on any question of adjournment shall be taken at the meeting and without adjournment.

Business may proceed not withstanding demand of poll.

103. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Time for objection to votes.

104. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman's decision conclusive.

105. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Votes of shareholders.

106. Subject to the provisions of the Act, no member shall be entitled to be present or to vote on any question either personally or by proxy or as a proxy for another member at any General Meeting or upon a poll or be reckoned in a quorum whilst any money due from him whether alone or jointly with another or others to the Company, in respect of any share or shares remains unpaid.

Members in arrear not to vote.

107. Upon a show of hands every member present in person shall have one vote, and upon a poll, every member present in person or by proxy shall have one vote for every share held by him. Where a Corporation being a member is represented by an officer or proxy who is not a member such officer or proxy, shall be entitled to vote for such Corporation on a show of hands.

Votes in respect of shares deceased and bankrupt members etc.

108. Any person entitled under the transmission clause to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that seventy-two hours at least before the time of holding 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 transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Voting right of lunatic members.

109. A member of unsound mind in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote on a show of hands or on a poll by his Committee, and such Committee may on a poll, vote by proxy, provided that evidence to the satisfaction of the Directors of the authority of the person claiming to vote shall have been deposited at the office of the Company not less than seventy-two hours before the date of holding the meeting.

Joint holders.

110. Where there are joint registered holders of any shares, any one of such person may vote at any meeting, either personally or by proxy in respect of such shares as if he were solely entitled thereto; and if more than one of such joint holders be present at any meeting, personally or by proxy, that one of the said persons, so present whose name stands first of the Register of Members in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof.

Proxies permitted.

111. Vote may be given either personally or by proxy.

Instruments appointing proxies to be in writing.

112. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney under the Common Seal if such appointer is a Corporation. A proxy may not be a member of the Company. A Corporation being a member of the Company may appoint as its representative or proxy any person though not a member of the Company and may vote by proxy only so long as a resolution of its Directors in accordance with the provisions of Section 187 of the Act is in force and not otherwise.

And to be deposited at office.

113. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that

power or authority shall be deposited at the office of the Company not less than forty-eight hours, before the time for holding the meeting at which the person named in such instrument proposes to vote and in default the instrument of proxy shall not be treated as valid but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

114. If any such instrument of appointment be confined to the object of appointing a proxy or substitute, it shall remain permanently, or for such time as the Directors may determine, in the custody of the Company, if embracing other objects. A copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Custody of the Instrument.

115. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the office of the Company before the meeting.

When vote by Proxy valid though authority revoked.

116. Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit be in any of the forms set out in Schedule IX to the Act or near thereto or possible or in any other forms which the Board may accept or in the following form:

Form of Proxy.

BENARES HOTELS LIMITED

I, _____ being a member of Benares Hotels Limited hereby
 appoint _____ of _____ (or failing him)
 of _____ (or failing him) of _____
 as my proxy to vote for me and on my behalf at the (Annual or
 Extraordinary as the case may be) General Meeting of the Company to be held on
 the day of _____ and at any adjournment thereof.
 As witness my hand the _____ day of _____
 Signed _____ this _____ day of _____

DIRECTORS

117. The First Directors of the Company shall be:

- (1) H. H. Maharaja Vibhuti Narain Singh, Fort, Ramnagar, Varanasi, U. P.
- (2) Shri Jagadish K. Munshi, Solicitor, C/o. Messrs. Bhaishanker Kanga and Girdharlal, Bell Lane, Bombay.
- (3) Shri Ramesh Chandra De, Pandey Haveli, Varanasi.

118. Subject to the provisions of Section 259 of the Act and until otherwise determined by the Company in General Meeting the number of Directors shall not be less than 3 (three) or more than 12 (twelve).

Number of Directors.

119. Subject to the provisions and limitations prescribed by Section 313 of the Act, the Board of Directors may appoint any alternate Directors to act for the original Director in the absence of the original Director from the State of Uttar Pradesh for a period of not less than three months. The alternate Director shall be entitled to notices of meetings of the Board and to attend and vote there at accordingly and he shall not require any qualification but he shall ipso facto vacate office if and when the original Director in whose place he is appointed vacates office as Director or returns to the State of Uttar Pradesh.

Alternate Directors.

120. Every person appointed as an alternate Director shall thereby become an officer of the Company, and he shall not be deemed to be the agent of the Director

Alternate Directors to be officer of the Company.

in whose place the alternate Director is appointed. The remuneration of any alternate Director shall be payable out of the remuneration payable to the Director in whose place he is appointed, and shall consist of such portion of the last mentioned remuneration as shall be agreed between the alternate Director and the Director appointing him.

Ex-officio Director.

121. If and when debentures of the Company shall be issued or any borrowings made by the Company from Financial Institutions, the holders of such debentures or such Financial Institutions, may be given the right to appoint and from time to time remove or reappoint a Director in accordance with the provisions of the Trust Deed or the Mortgage Deed securing the debentures or the loan concerned as the case may be. The Directors appointed under this Article shall be Ex-officio Directors of the Company.

Power to Directors to appoint additional Directors.

122. The Directors shall have power at any time and from time to time appoint any person as a Director either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed as above. But any Director so appointed shall hold office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election.

Qualification of Directors.

123. A director shall not be required to hold qualification shares.

Acquisition of Qualification of Directors.

124. DELETED

Remuneration of Directors.

Remuneration for extra services.

125. The remuneration of every Director shall be such sum as the Directors may fix subject to the maximum remuneration as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board attended by him. ~~or for any special service in going or residing out of Varanasi or otherwise for any of the purposes of the Company the Board may arrange with such Director for such special remuneration for such services, either by fixed sum or by a percentage of profits or otherwise as may be determined by the Directors, and such remuneration may be either in addition to or in substitution for his or their share in the remuneration above provided and the Directors shall be entitled to be repaid any travelling and other expenses incurred in connection with business of the Company. Provided that the remuneration of the Directors by way of commission or participation in profits shall not, without the sanction of the Company in General Meeting exceed in the aggregate 3% of the net profits as defined by Sections 349, 350 and 351 of the Act.~~

Directors may act notwithstanding vacancy.

127. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum above fixed, the Directors shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum.

When office of Director to be vacated.

128. The office of a Director shall be vacated if:—

- (a) he fails to obtain within the time specified in Sub-Section (1) of Section 270 of the Act or at any time thereafter ceases to hold the share qualification required by Article 123 hereof; or,
- (b) he is found to be of unsound mind by a Court of competent jurisdiction; or,

- (c) subject to the provisions of Sub-Section (2) of Section 283 of the Act he applies to be adjudicated or is adjudged an insolvent; or,
- (d) he fails to pay any call in respect of shares of the Company held by him whether alone or jointly with others six months from the last date fixed for the payment of calls unless the Central Government removes such disqualifications; or,
- (e) without the consent of the Company accorded by a Special Resolution he or his partner or relative, firm or the firm in which he or his relative is partner, or a private Company in which he is a Director or member holds any office or place of profit carrying a total monthly remuneration of Rs. 500/- or more except that of Managing Director, Manager, Legal or Technical Adviser, Banker or Trustee for the holders of debentures of the Company; or,
- (f) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for continuous period of three months whichever is longer without leave of absence from the Board of Directors; or,
- (g) he by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private Company of which he is a Director accepts a loan or any guarantee of security for a loan from the Company in contravention of Section 295 of the Act; or,
- (h) he acts in contravention of Section 299 of the Act,
- (i) he is convicted of any offence involving moral turpitude and sentenced in respect thereof to imprisonment of not less than six months,
- (j) he is removed in pursuance of Section 284 of the Act,
- (k) subject to the provisions of Sub-Section (2) of Section 283 of the Act he becomes disqualified by an Order of the Court under Section 203 of the Act.

129. A Director may at any time give notice in writing of his wish to resign by delivering such notice of the Managing Director or leaving the same at the registered office of the Company, and thereupon his office shall be vacated.

Resignation of
Directors.

130. Subject to the provisions of the Act, a Director may hold any other office or place of profit under the Company (other than that of statutory Auditor) and may act in a professional capacity for the Company and receive remuneration in respect thereof in conjunction with his office of Director and subject as aforesaid no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested; be avoided; nor shall any Director, so contracting or being so interested, be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby, established, but it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exist or in any other case at the first meeting of the Directors after the acquisition of his interest, and that no Director shall, save as permitted by Section 300 of the Act, as a Director vote in respect of any contract or arrangement in which he is so interested, nor shall his presence count for the purposes of the quorum at the time of such vote, and if he does so vote, his vote shall not be counted. A general notice that any Director is a Director or a member of any specified company or is a member of any specified firm and is to be regarded as interested in any subsequent transaction with such company or firm shall be

Directors may con-
tract with Company.

sufficient disclosure under this Article, and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such company or firm, provided that such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would otherwise have expired.

131. The Company shall keep a Register of Contracts in accordance with Section 301 of the Act.

132. The Company shall keep at the office a register of the Directors, Managing Director, Manager, and Secretary as provided by Section 303.

133. A Director of this Company may be or become a Director of any Company promoted by this Company or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as Director or member of such Company.

ROTATION OF DIRECTORS

134. At the first Annual Meeting of the Company the whole of the Directors except the ex-officio Directors shall retire from office and at the Annual Meeting in every subsequent year one-third of the Directors for the time being or if their number is not three or multiple of three then the number nearest to one-third shall retire from office provided that no Ex-officio Director or Debenture Directors shall be so liable to retire, by rotation.

135. The Directors to retire at every Annual General Meeting shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they agree amongst themselves) be determined by lot. A retiring Director shall be eligible for re-election.

136. The Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

137. If at any meeting at which an election of Directors ought to take place, the places of the vacating Directors are not filled up, the meeting shall stand adjourned till the same day in the next week at the same time and place, and if at the adjourned meeting the places of vacating Directors are not filled up the vacating Directors or such of them as have not had their places filled up shall be deemed to have been re-elected at the adjourned meeting.

138. Subject to the provisions of Sections 252, 253 and 254 of the Act the Company in General Meeting may from time to time increase or reduce the number of Directors and may alter their qualification and may also determine in what relation such increased or reduced number is to go out of office.

139. Subject to the provisions of Section 284 of the Act, the Company may by ordinary resolution remove any Director whose period of office is liable to determination at any time by retirement of Directors in rotation, before the expiration his period of office and may by ordinary resolution appoint another person in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected Director. A Director so removed shall not be re-appointed a Director by the Board of Directors.

140. No person not being a retiring Director shall be eligible for election to the office of Director

Register of Contracts.

Register of Directors.

Directors may be Directors of Companies promoted by the Company.

Rotation and Retirement of Directors.

Which Directors to retire.

Meeting to fill up vacancies.

Retiring Director to remain in office till successor appointed.

Power for General Meeting to increase or reduce number of Directors.

Power to remove Directors by Extraordinary Resolution.

When candidate for office of Director must give notice.

PROCEEDINGS OF DIRECTORS

141. Subject to the provisions of Section 285 of the Act, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. The quorum for a meeting of the Board of Directors shall be one-third of its total strength as defined by Section 287 of the Act, (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested, shall be the quorum during such time. Meeting of Directors and quorum.
142. A Director may at any time, the Secretary of the Company shall upon the request of a Director convene a meeting of the Directors. Secretary may summon Meeting.
143. It shall not be necessary to give notice of a meeting to any Director or Directors who is or are not, for the time being in India. In case of urgency, a notice of a meeting of Directors may be given by telegram. Director out of India not entitled to Notice.
144. Any question which shall arise at any meeting of the Directors shall be decided by a majority of votes, and, in case of an equality of votes, the Chairman thereat shall have a casting vote in addition to his own vote as a Director. Question to Board meetings how decided.
145. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting, the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting. Chairman.
146. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested in or exercisable by the Directors generally. Power of Quorum.
147. The Directors may delegate any of their power to Committees consisting of such member or members of their Body as they think fit. Any Committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time imposed upon it by the Directors. Power to appoint Committee and to delegate.
148. 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 proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors under the last preceding clause. Proceedings of Committee.
149. All acts done by any meeting of the Director, or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid or that they or any of them were disqualified be a valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to acts done by the Board or the Committee or by any person as aforesaid after the appointment has been shown to the Company to be invalid or to have terminated. When act of Directors or committee valid notwithstanding defective appointment etc.
150. The accidental omission to give notice of any meeting of the Directors to a Director who is in Varanasi or nonreceipt of such notice shall not invalidate any resolution passed at such meeting. Omission to give notice.
151. Subject to the provisions of Section 289 and 292 of the Act a resolution in writing signed by all the Directors of the Board of Directors or by members of the Committee as are then in India or by a majority of such of them as are entitled to Resolution without Board Meeting valid.

vote on the resolution shall be valid and effectual as if it had been passed at the meeting of the Board of Directors or of the Committee duly called and constituted.

MINUTES

Minutes.

152. (a) The Directors shall cause minutes of all proceedings of General Meetings and of all proceedings at meetings of its Board of Directors or of Committees of the Board to be entered in the books kept for that purpose;
- (b) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat;
- (c) All appointments of officers made at any of the meetings shall be included in the minutes of the meetings;
- (d) The minutes of the meetings of the Board of Directors or of a Committee shall also contain:
- (i) The names of the Directors present at the meeting;
- (ii) In case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution;
- (e) Any such minute if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting shall be evidence of the proceedings.

Meeting deemed to be duly convened.

153. Until the contrary is proved every General Meeting of the Company or meeting of Directors in respect of the proceedings whereof minutes have been so made shall be deemed to have been duly called and held and all proceedings had thereat to have been duly had and all appointments of Directors of Committees shall be deemed to be valid.

Inspection of Minute Books.

154. The books containing the minutes of General Meeting of the Company shall be kept at the Office and shall be open to inspection of members between the hours 11-30 A. M. and 1-30 P. M. on office working days.

POWER OF DIRECTORS

General Powers of Company vested in Directors.

155. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Act, or any statutory modification thereof for the time being in force, or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to any provisions of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the said provisions, as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

Specific Powers given to Directors.

156. Without prejudice to the general powers conferred by the last preceding clause and the other powers conferred by these presents it is hereby expressly declared that the directors shall have the following powers subject to the provisions of the Act, that is to say, power:—

To pay costs.

(a) To pay the costs, charges and expenses preliminary and incidental to promotion, formation, establishment and registration of the Company.

May pay commission and interest out of capital.

(b) To pay and charge to the capital account of the Company and commission or interest lawfully payable thereout under the provisions of Section 76 of the Act.

To acquire property.

(c) To purchase take to lease or hire or licence or otherwise acquire any lands, factories, buildings, machinery, plant hereditaments, property moveable

or immoveable, effects, assets, rights or privileges, credits, royalties, business and goodwill of any person, firm or company carrying on business of Hotel, Motel, Restaurants, Cafe, Tavern, Bar, Refreshment-room or lodging-house-keeper or any other business specified in the objects of the Company or any other business which the Company is authorised to carry on.

- (d) To purchase or take on licence for any term or terms or years or otherwise acquire or construct and subject to the provisions of Section 293 of the Act to sell, lease, exchange or dispose of or deal with any mills, factories, plant machinery or any other moveable or immoveable property for such consideration at such price or rent, and upon and subject to such terms and conditions as the Directors may think fit; and in such purchase, licence, lease or other acquisition to accept any such title as the Directors may think fit. To purchase or lease or sell mills etc.
- (e) To erect and construct on any land or lands, buildings, houses, hotels, motels, restaurants, cafes, taverns, bars, refreshment-rooms, lodging houses; factories, warehouses, sheds or tanks or works necessary or expedient for the purposes of any business of the Company and to alter, extend and improve the same; to provide machinery, plant, engines, and apparatus and equipments, to let or lease the property of the Company, in part or in whole, for such rent and subject to such conditions as may be thought advisable to sell or otherwise deal with the lands or buildings or moveable property of the Company; to mortgage the whole or any portion of the property of the Company including its uncalled capital for the purposes of the Company, to sell all or any portion of the machinery, plant, stores or other materials belonging to the Company. To construct buildings etc.
- (f) To purchase take on lease or licence, or otherwise acquire for the Company any property, patents, processes, devices, rights, or privileges which the Company is authorised to acquire at such price, and generally on such terms and conditions as they think fit. To acquire property.
- (g) At their discretion to pay for any property, rights, or privileges acquired by, or service 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 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 including its uncalled capital or not so charged. To pay for property in debentures etc.
- (h) At their discretion 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 properties, equipment, buildings, plant, machinery, loss of profits, goods, stores, produce and other moveable property of the Company either separately or conjointly, and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power. To insure.
- (i) To open and operate on accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit, whether such accounts be in credit or otherwise, and to empower any two of the Directors to operate on such accounts. To open accounts.
- (j) To secure the fulfilment 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 uncalled capital for the time being or in such other manner as they may think fit. To secure contracts by mortgage.

- To attach condition to shares issued as consideration for contracts etc.
- To accept surrender of shares.
- To appoint Trustees.
- To bring and defend action etc.
- To refer to arbitration.
- To give receipts.
- To authorise acceptance etc.
- To invest moneys.
- To give security by way of indemnity.
- To give Directors, Officers etc. percentage etc.
- (k) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company such conditions as to the transfer thereof as they may think fit.
- (l) Subject to the provisions of the Act to accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or any part thereof.
- (m) To appoint any person or persons (whether incorporated or not) 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 trusts, and to provide for the remuneration of such Trustee or Trustees.
- (n) To institute, conduct, defend, maintain, carry to final appeal and execution, compound or abandon any legal proceedings by or against the Company, or its officers, or otherwise concerning the business, property and affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.
- (o) To refer any claim or demands by or against the Company to arbitration, and observe and perform or enforce or impeach the awards.
- (p) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (q) To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.
- (r) To determine who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptance, endorsements, cheques, releases, contracts and documents.
- (s) Subject to the provisions of Sections 292 and 293 of the Act, to invest and deal with the moneys of the Company not immediately required in shares, stocks, bonds, debentures, obligations or other securities of any company (other than this Company) or Association or Public Body or in Government securities or in deposit with Banks or in any other investments or commodities or in any other manner as the Directors may think fit and from time to time to realise such investments or vary or transpose the same.
- (t) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such indemnities or mortgage of the Company's property (present and future) or other securities as they think fit any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.
- (u) To give any Officer or other person employed by the Company not being a Director a commission on the profits of any particular business or transaction or other remuneration on percentage basis on the gross expenditure thereon or any other remuneration or a share in the general profits of the company and such commission, remuneration, or share or profits shall be treated as part of the working expenses of the Company. PROVIDED THAT the aggregate commission or share of profits payable to such officer or other person employed by the Company other than a Director shall not exceed in the aggregate a sum equivalent to 3% of the net profits of the Company as defined by Sections 349, 350 and 351 of the Act. PROVIDED HOWEVER, that this limitation of restriction on the

percentage of net profits shall not be applicable to any distribution of a general bonus to the employees of the Company.

- (v) From time to time to make, vary and repeal bye-laws, or regulations for the conduct and management of the business of the Company, its officers and servants. To make Bye-Laws.
- (w) To provide for the welfare of employees or ex-employees of the company and wives, widows and families of the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls or by grants of money, pensions, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money for charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise. To provide for the welfare of employees etc.
- (x) Before recommending any dividend to set aside out of the profits of the Company such sums as they think proper for Depreciation or to Depreciation Fund, Reserve Fund or Sinking Fund or any special or other funds to meet contingencies or to repay redeemable Preference Shares, Debentures or Debenture Stock or special dividends or for equalising dividends or for replacing, repairing, improving, extending and maintaining any part of the property of the Company, and for any other purpose (including the purposes referred to in the preceding clause) as the Directors may in their absolute discretion, think conducive to the interests of the Company; and to invest several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit; and from time to time to deal and vary or transpose that such investments and realise or dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund in the business of the Company or in the purchase or repayment of redeemable Preference Shares, Debentures or Debenture Stock and that without being bound to keep same separate from the other assets and that without being bound to pay or allow interest on the same, with power, however, to the Directors at their discretion to pay or allow to the credit of such Fund, interest at such rate as the Directors may think proper, not exceeding nine per cent, per annum. To provide for Depreciation Fund etc.
- (y) Subject to the provisions of Section 197 A of the Act to appoint and at their discretion remove or suspend any manager, secretaries, officers, clerks, technicians, 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, remuneration or emoluments and require security in such instances and such amounts as they may To appoint manager etc.

think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit.

To delegate powers.

(z) Subject to the provisions of the Act and these Articles to delegate any of the powers, authorities and discretions vested in the Directors to any person, firm, company or fluctuating body of persons as aforesaid, and for such period and on such terms as the Directors think fit.

To enter into contracts etc.

(aa) To enter into all such negotiations and contracts and rescind and vary all such contracts and to execute and do all such acts, deeds, matters and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.

To sell or dispose off the undertaking of the Company etc.

(ab) Subject to the provisions of Section 293 of the Act with the consent of the Company in General Meeting, but not otherwise, to sell or dispose off the undertaking of the Company or if the Company owns more than one undertaking, the whole or substantially the whole of such undertaking or to remit any debt due by the Directors or to contribute to charitable or other funds not directly relating to the business of the Company or the welfare of its employees.

MANAGING DIRECTOR

Powers to appoint Managing Director.

157. The Directors may from time to time appoint one or more of their body to be the Managing Director or Managing Directors of the Company for such period within the statutory period allowed by law as the Directors think fit and the Directors may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

What provisions he will be subject to.

158. The Managing Director shall not while he continues that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement but he shall (subject to the provisions of any contract between him and the company) be subject to the same provisions as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director from any cause he shall ipso-facto immediately cease to be the Managing Director.

Remuneration of the Managing Director.

159. The remuneration of the Managing Director shall subject to the provisions of Section 309 of the Act from time to time be fixed by the Directors and may be by way of a fixed salary or commission on profits of all business in which the Company is interested or by participation in any such profits or by any or all of such modes allowed by law.

Powers and duties of the Managing Directors.

160. The Directors may from time to time entrust and confer upon the Managing Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restriction as may be expedient and may confer such powers either collaterally or without any exclusion and/or in substitution of any of the powers and may from time to time revoke withdraw alter or vary all or any of such powers.

Receipts and Cheques.

161. Receipts signed by the Managing Director for any moneys or goods or property received in the usual course of business of the Company or for the moneys, goods or property lent to or payable, deliverable, or belonging to the Company, shall be effectual discharge on behalf of and against the Company for the moneys, funds or property which in such receipts shall be acknowledged to be received and

the person paying any such money shall not be bound to see the application or be answerable for any misapplication thereof.

SEAL

162. The Directors shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by the authority of the Directors or of a Committee of the Directors previously and every deed or other instrument to which the seal of the Company is required to be affixed shall subject to the provisions of Companies (Issue of Share Certificate) Rules 1960 and unless the same is executed by a duly constituted attorney for the Company be signed by two Directors at least in whose presence the seal shall have been affixed.

The Seal, its custody and use.

RETURNS

163. The Company shall duly comply with the provisions of the Act, or any statutory modification thereof for the time being in force and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it.

Returns.

DIVIDENDS

164. The Company in general meeting may declare dividends but no dividends shall exceed the amount commended by the Directors.

Declaration of Dividends.

165. No dividend shall be paid otherwise than out of profits of the year or any other undistributed profits and no dividend shall carry interest as against the Company.

Dividends out of profits only and not to carry interest.

166. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

What to be Net Profits.

167. The Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

Interim Dividends.

168. Where capital is paid up in advance of calls upon the footing that the same shall carry interest such capital or part thereof shall not, whilst carrying interest confer a right to participate in profits.

Capital Paid up.

169. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share where a larger amount is paid up or credited as paid up on some shares than on others. If any share is issued on terms providing that it shall rank for dividend from a particular date, such share shall rank for dividend accordingly.

Dividends in proportion to amount paid up.

170. No member shall be entitled to receive payment of any dividend or interest in respect of his share or shares whilst any money be due or owing from him to the Company in respect of such shares or shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company.

No member to receive dividend whilst to the Company, and right of reimbursement thereout.

171. Any General Meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares or deferred payment certificates or debentures or debenture stock of the Company, or in paid up share, debentures or debenture stock of any other company or in any one or more of such ways and the Directors shall give effect to such resolution 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 the assets; or any part thereof,

Dividend in Specie.

and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the right of all parties and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors. Where requisite a proper contract shall be filled in accordance with Section 75 of the Act, and the Directors may appoint any person to sign contract on behalf of the persons entitled to the dividend, and such appointment shall be effective.

Effect of Transfer.

172. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Retention in certain cases.

173. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member or which under the clause is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

Dividend joint holders.

174. Any one of several persons who are registered as the Joint Holders of any share may give effectual receipts for all dividends bonuses and other moneys payable in respect of such share.

Dividends how remitted.

175. Unless otherwise directed any dividend or interest may be paid by cheque or warrant sent through the post to the registered address of the member or the person entitled thereto or in case of Joint Holders to that one of them whose name stands first in the register of members in respect of such Joint holding; PROVIDED THAT any one of such Joint holders shall be entitled to give effectual receipts and discharges to the Company in respect of such dividends or interest. The Company shall not be liable or responsible for any cheque or warrant lost in transmission, or for any dividend or interest lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recover thereof by any other means.

If Dividend and call made together set off allowed.

176. Any General Meeting declaring a dividend may make a call on the members of 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 dividend may, be set-off against the call.

Notice of Dividend.

177. Notice of the declaration of any dividend, whether interim or otherwise shall be given to the holders of registered shares, in manner hereinafter provided.

Unclaimed Dividend.

178. No unclaimed and unpaid dividend shall be forfeited and the company shall comply with the provisions of section 205 A of the Act in respect of unclaimed and unpaid dividend.

CAPITALISATION

179. Any General Meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Fund or any other fund in the hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

180. Any General Meeting may resolve that (a) any surplus moneys in the hands of the Company representing moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same or (b) any undistributed profits of the Company be distributed amongst the members on the footing that they receive the same as capital. For the purpose of this provision surplus money or investment means investment in the hands of the Company over and above sufficiency of other assets to answer in full the whole of the liabilities and paid up shares capital of the Company for the time being.

Distribution of surplus money as capital.

181. For the purposes of giving effect to any resolution under the last two preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient, and in particular may issue fractional certificates, in order to adjust the rights of all parties, and generally make such arrangements for the allotment, acceptance and sale of such shares or fractional certificates and otherwise as they may think fit. A proper contract shall be filed in accordance with the provisions of the Act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective and the contract may provide for the acceptance by such holders of the shares to be allotted to them respectively in satisfaction of their claims in respect of the sum so capitalised. This Article is subject to any special conditions which may be attached to any shares hereinafter issued.

Directors to decide in case of difficulty.

ACCOUNTS

182. The Directors shall cause to be kept proper books of account with respect to: —

Accounts.

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place.
- (b) all sales and purchases of goods by the Company PROVIDED THAT particulars of retail sale shall not be entered in such books.
- (c) the assets and liabilities of the Company.

183. The books of account shall be kept at the registered office of the Company or at such other places as the Directors think fit, and shall be open to inspection by the Directors during business hours. The books of account relating to transactions effected at a branch office may, subject to compliance with the provisions of Section 209 of the Act, be kept at that branch office.

Books of Account where to be kept.

184. SUBJECT to the provisions of the Act the Directors shall from time to time determine whether or not and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company, or any of them shall be open to the inspection of the members (not being Directors) and no member (not being Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.

Inspection of Members.

185. The Directors shall as required by Sections 210, 211 and 212 of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, and reports as are referred to in those Sections.

Sections 210, 211 and 212 to be complied with.

186. The Profit and Loss Account shall in addition to the requirements of Sub-Section (2) of Section 211 of the Act, show, arranged under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been derived and the amount of gross expenditure distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into

Profit and Loss Accounts.

account, so that a just balance of profit and loss may be laid before the meeting and, in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with the additions of the reasons why only a portion of such expenditure is charged against the income of the year.

187. The balance Sheet shall contain a summary of the property and assets and of the capital and liabilities of the Company giving such particulars as will disclose the general nature of those liabilities and assets and how the value of the fixed assets has been arrived at. The Balance Sheet shall be in such form and contain such particulars as may be required by the Act.

188. The Profit and Loss Account shall contain such particulars as may be required by the Act and shall include particulars showing the total amount paid whether as fees, percentages or otherwise to the Managing Directors respectively as remuneration for their services and where a special resolution passed by the members of the Company so required to the manager and the total of the amount written off for depreciation. If any Director of the Company is by virtue of the nomination, whether direct or indirect of the Company, a Director of any other company and remuneration or other emoluments received by him for his own use, whether as a Director, or otherwise in connection with the management of that other company shall be shown in a note at the foot of the account or in a statement attached thereto.

189. The Balance Sheet and Profit and Loss Account or income and expenditure account shall be audited, by the auditors of the company as hereinafter provided and the Auditor's report shall be attached thereto or there shall be inserted at the foot thereof a reference to the report and the report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

190. Every such Balance Sheet and Profit and Loss Account or income and expenditure account shall be accompanied by a report of Directors dealing with affairs of the Company, and as to the amount which they recommended to be paid out of the profits by way of dividend or bonus to the members, and the amount (if any) which they propose to carry to the Reserve Fund according to the provisions in that behalf hereinbefore contained; and all matters required by Section 217 of the Act; and the Profit and Loss Account and the Balance Sheet shall be signed by the Secretary, if any and at least two Directors. One of whom shall be a managing Director where there is one. The report may be signed by the Chairman of Directors on behalf of the Directors if authorised in that behalf by the Directors.

191. The Company shall send a copy of such Balance Sheet and Profit and Loss account or income and expenditure account so audited together with a copy of the Auditors Report to the registered address of every member of the Company and not less than 21 days before the meeting at which it is to be laid before the members of the Company, and shall deposit a copy of the Balance Sheet at the office of the Company for the inspection of the members of the Company during a period of at least twenty-one days before the meeting.

AUDIT

192. Once at least in every year the accounts of the Company shall be examined and the Correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more auditor or auditors.

193. The Company at each Annual General Meeting shall appoint an Auditor or Auditors duly qualified to hold office until the next Annual General Meeting.

194. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting, except that the remuneration of any Auditors

Form of Balance Sheet.

Form of Profit and Loss Account.

Auditor's Reports.

Annual Report of Directors.

Copy to be sent to Members.

Account of be audited annually.

Appointment and Qualifications of Auditors.
Remuneration of Auditors.

appointed to fill any casual vacancy may be fixed by the Directors, and the remuneration of Auditors appointed by the Central Government may be fixed by the Central Government.

195. (a) Every Auditor shall have a right of access at all times to the books of account and vouchers of the company and shall be entitled to require from the Directors and office of the Company such information and explanation as the Auditor may think necessary for the purpose of his duties as Auditor.

Powers and Duties of Auditors.

(b) The Auditor shall make a report to the members of the Company of the account examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by this Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting during his tenure of office, and the report shall comply with the requirements of Section 227 of the Act.

196. The Auditors of the Company shall be entitled to receive Notice of and to attend any General Meeting of the Company at which any accounts which have been examined or reported on by them are laid before the Company and may make any statement or explanation they desire with respect to the accounts.

Auditor's right to attend meetings.

197. Every account of the Directors when audited and approved by a General Meeting shall be conclusive and if any error is discovered thereafter, the same shall be corrected in the next account.

Accounts when audited and approved to conclusive except as to errors discovered subsequently.

NOTICE

198. A notice (which expression shall hereinafter wherever the context shall so require or admit be deemed to include any summons, notice, communication process, order, judgment or any other document in relation to the Company or in the winding up of the Company) may be given by the Company to any member either personally or by leaving it at or by sending it by post, to him at his registered address in the Union of India or if he has no registered address in the Union of India to the address supplied by him to the Company for giving Notices to him or his last known address in the Union of India.

How Notices to be served on Members.

199. Subject to the provisions of the Sub-Clause (2) of Section 53 of the Act, where a Notice is sent by post, or Telegram, service of the Notice shall be deemed to be effected by properly addressing prepaying and posting a letter or delivering to a telegram office a telegram containing the Notice, and to have been effected at the time specified in Sub-clause 2(b) (i) and 2(b) (ii) of Section 53 of the Act.

When deemed to be served.

200. If a member has no registered address in the Union of India and has not supplied to the Company an address within the Union of India for the giving of Notices to him, a Notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly given to him on the day on which the advertisement appears.

Notice where no address.

201. A Notice may be given by the Company to the Joint Holders of a share by giving the Notice to the joint holder named first in the register in respect of the share.

Notice to joint holders.

202. A Notice may be given by the Company to the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name or by the title of representative of the deceased or assignee of the insolvent or by any like description, at the address, if any, in the Union of India supplied for the purpose by the persons claiming to be entitled or (until such an address has been so supplied) by giving the Notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Notice valid though Member deceased.

Persons entitled to Notice.

203. Notice of every General Meeting shall be given in some manner herein before authorised to (a) every member of the Company (including bearers of share warrants) except those members who (having no registered address within the Union of India) have not supplied to the Company an address within the Union of India for the giving of Notice to them and also to (b) every person who may be known to the Company to be entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency would be entitled to receive Notice of the meeting.

Member bound by Notice to previous holder.

204. Every person who, by operation of law, transfer or other means whatsoever shall become entitled to any shares shall be bound by any and every Notice or other document in respect of such share which, previous to his name and address being entered upon the Register of Members, is given to the person from whom he derives his title and who is registered.

Notice how signed.

205. Any Notice to be given by the companies shall be signed by the Director, or by such other officers as the Directors may appoint, and the signatures thereon may be written printed or lithographed or reproduced by other mechanical means.

Service of Notice by Members.

206. All Notices to be given to the Company shall be left at or sent by registered post to the registered office of the Company.

WINDING UP

Distribution of Assets.

207. Subject to and without prejudice to the provisions foregoing if the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid-up which ought to have been paid-up at the commencement of the winding up on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement, the excess shall be distributed among the members in proportion to the capital paid up or which ought to have been paid-up at the commencement of the winding up on the shares held by them respectively. This clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution of Assets in Specie.

208. The Liquidator, on any winding up (whether voluntary, under supervision or compulsory) may with the sanction of Special Resolution divide among the contributories in specie or kind any part of the assets of the Company, and may with the like sanction vest any part of the assets of the Company in Trustees upon such trust for the benefit of the contributories as the liquidator with the like sanction shall think fit.

Liquidator may sell for shares in another Company.

209. Any Liquidator on voluntary winding up may (irrespective of the powers conferred upon him by the Act, as an additional power), with the authority of a Special Resolution, sell the undertaking of the Company, or the whole or any part of its assets, for shares fully or partly paid up or other interest in any other Company, and may by the contract of sale agree for the allotment to the members direct of the proceeds of sales in proportion to their respective interests in the Company, and in case the shares of this Company shall be of different classes may arrange for the allotment in respect of Preference Shares of this Company of shares or other interests of the purchasing company with preference or priority over or with a large amount paid up than the shares allotted in respect of Ordinary Shares of this Company and may further, by the contract, limit a time at the expiration of which shares or other interests not accepted or be sold shall be deemed to have been refused and be at the disposal of the liquidator.

210. Upon any sale under the last preceding Article or under the powers given by Section 494 of the Act, any member of the Company who did not vote in favour of the said resolution shall, if he expresses his dissent therefrom in writing addressed to the Liquidator and left at the registered office of the Company within seven days after the passing of the said resolution, be entitled to require the liquidator either to abstain from carrying the said resolution into effect or to purchase his interest at a price to be determined in the manner provided for by sub-section 3(b) of Section 494 and liquidator may thereupon purchase his interest by raising the purchase money in such manner as may be determined by Special Resolution.

Purchase of interest of dissenting member.

INDEMNITY

211. Save and except so far as this Article shall be avoided by any provision of the Act, the Directors, Manager, Auditor, Secretaries and other Officers, Agents or Servants of the Company and their respective executors and administrators shall be indemnified out of the fund of the Company and secured harmless against all actions, costs, charges, losses, damages and expenses which they or any of the them, their or any of their executors or administrators, shall or may incur or sustain by reason of any contract entered into or act or deed done, concurred in or omitted in or about the execution of their duty or supposed duty, in their respective offices or trusts and all such costs charges losses damages and expenses shall be paid and make good to them out of the funds of the company by the Directors, except such (if any) as they shall incur or sustain through their own wilful neglect or default respectively and none of them shall be answerable for the acts, receipts, neglect or default of any other of them or for joining in any receipts or other act for the sake of conformity or for any banker or other persons with whom any moneys or effects of the Company shall be entrusted, invested or deposited or for the insufficiency or deficiency of the title to any property acquired by the order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any moneys of the Company shall be entitled, deposited or invested or for any loss occasioned by any error of judgement or oversight on their part or any loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto, except the same shall happen through their own dishonesty, wilful neglect or default, and in particular they shall be indemnified out of the funds of the Company against all liability incurred by them in defending any proceedings, whether civil or criminal in judgment is given in their favour, or in which they are acquitted or discharge or in connection with any application under Section 633 of the Act, in which relief is granted to them by the Court.

Indemnity.

212. No member shall be entitled to visit or inspect the Company's premises or works without the permission of the Directors or the Managing Director or to require discovery of any account or information respecting any detail of the Company's trading or customers or any matters which is or may be in the nature of a trade secret, mystery of trade, or secret process or which may relate to the conduct of the business of the Company and which in the opinion of the Directors it may be inexpedient in the interest of the members of the Company to communicate to the Public.

Secrecy Clause.

Name, address, description and occupation of subscribers	Signature of subscriber	No. of shares taken by each subscriber	Name, address description and occupation of witnesses
H. H. MAHARAJA VIBHUTI NARAIN SINGH MAHARAJA OF BENARES S/o, His Late Highness MAHARAJA SIR ADITYA NARAIN SINGH BAHADUR, FORT, RAMNAGAR, VARANASI.	Sd/ Vibhuti Narain Singh	5 (Five)	
JOGENDRA NARAIN THAKUR S/o, Balgobind Thakur, FORT, RAMNAGAR, VARANASI. (Service)	Sd/ Jogendra Narain Thakur	5 (Five)	
RAMESH CHANDRA DE S/o Late Sirish Chandra De B 16/38 Pandey Haveli, VARANASI. (Service)	Sd/ Ramesh Chandra De	5 (Five)	
RAMESH CHANDRA DE Secretary Imlak (VARANASI) Development Private Ltd; Fort, Ramnagar, VARANASI.	Sd/ Ramesh Chandra De	5 (Five)	
Total		20 (Twenty)	Pharindra Nath Bose S/o, Late Mohindra Nath Bose B 20/67, Bhelpura, VARANASI 1. (Service)

Dated this

day of

1974.