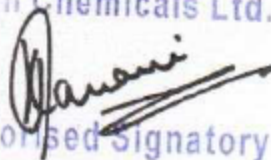


NEOGEN CHEMICALS LIMITED

MEMORANDUM OF ASSOCIATION AND ARTICLE OF ASSOCIATION

CERTIFIED TRUE COPY


For Neogen Chemicals Ltd.

A handwritten signature in black ink, appearing to read 'K. K. K.', is written over the text 'Authorised Signatory'.

Authorised Signatory

CERTIFIED TRUE COPY

For Neogen Chemicals Ltd.


Authorised Signatory

No. 11 : 50919

CERTIFICATE OF CHANGE OF NAME
UNDER THE COMPANIES ACT, 1956.

In the matter of NEOGEN CHEMICALS PRIVATE LIMITED

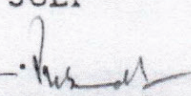
I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and the Special Resolution passed under Sec. 31/44 of the Companies Act by the Company at its Annual/ Extra-Ordinary General Meeting held on 2/5/1998

the name of "NEOGEN CHEMICALS PRIVATE LIMITED"

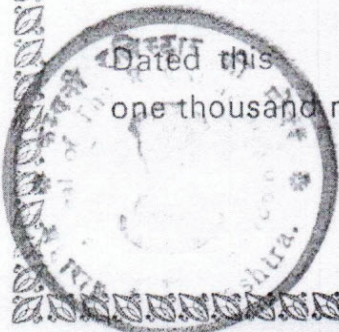
has this day been changed to "NEOGEN CHEMICALS LIMITED"

and that the said company has been duly incorporated as a company under the provisions of the said Act.

Dated this SECOND day of JULY
one thousand nine hundred and ninety EIGHT


(PROBODH)

Asstt/Adtl/Registrar of Companies
Maharashtra, Mumbai.



Ramani
Authorised Signatory



सत्यमेव जयते

प्रारूप० आई० आर०
Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता०.....का सं०.....
No. 11-50919 of 19 89

मैं एतद्वारा प्रमाणित करता हूँ कि आज.....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिलिमित है।

I hereby certify that **NEOGEN CHEMICALS PRIVATE LIMITED**

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

मेरे हस्ताक्षर से आज ता०..... को दिया गया।

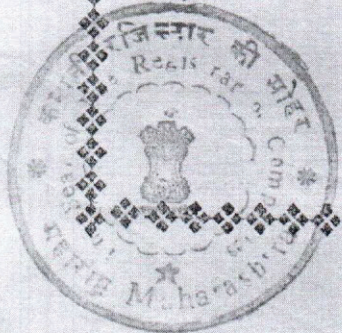
Given under my hand at BOMBAY... this SEVENTH

day of MARCH..... One thousand nine hundred and EIGHTYNINE

(S. RAMABHADRAN)

कम्पनियों का रजिस्ट्रार

Registrar of Companies
Maharashtra



50. To undertake, aid or promote research in economic, fiscal, commercial, agricultural, medical, industrial, mining, technical and scientific problems and matter.
51. To carry or business of finance and insurance, brokers and surveyors.
52. To carry on the business as milliners, hatters. gloves, boot and shoe manufacturers, rug carpet and mat manufacturers, sport goods manufacturers, travelers, equipment manufacturers, embroiders hemstitchers, pleaters, lace makers, brace and belt makers, fancy good dealers and as house, office and shop furnishers, outfitters and general storekeepers.
53. To prepare and manufacturer parts of such machinery and to sell the same in India or elsewhere.
54. To acquire, preserve and disseminate useful information in connection with trade, commerce and industry throughout all markets and to carry out all market surveys and to carry out any investigation. Enquires, services analysis or otherwise as may be considered useful.
55. To buy, let on hire, exchange, manufacture, alter, improve, manipulate, prepare for market and or otherwise deal in or distribute all kinds of plants, machineries, machine parts, tools. Apparatuses, utensils.
56. To carry on business of printers, stationeries, lithographers, type-founders, chromolithographers, engravers, die-sinkers, bookbinders, designers, draughtsmen, paper and ink manufacturers. Book sellers, publishers of newspapers. Journals. Magazines. Books, and other literary works and undertakings. Advertising agents.
57. To act as computer consultants.
58. To carry on the business as share, stock and finance brokers and consultant.
59. To carry on the business of travel and tourism and to render all services to tourists in India and abroad.
60. To carry on the business as manufacturers of dealers in or in any other manner deal in packing and packaging materials of all kinds and packing and packaging machineries, equipment requisites.
61. To manufacture. Buy, sell, Import, export and generally deal in virgin, reprocessed, compounded plastic products, chemicals and/or additives.
62. To manufacture, buy, sell and deal in hardware equipment or machinery associated directly with the plastics industry.
63. To carry on the business of preservation, canning. Bottling, deep freezing and dehydration of all kinds of fruits and their juices, vegetables and their juices and all kinds of agricultural produce.
64. To carry on business of an Investment Company and to buy, underwrite, invest in, acquire, hold and deal in shares, stocks, debentures, debenture stock, bond obligations and securities issued or guaranteed by any government. State Public Body or Authority, firm or person In India or elsewhere.

65. To carry on the business of letting on hire, hire-purchase, easy payment system of, or leasing of all durable industrial, agricultural, commercial and household articles, properties, assets, vehicles. Plants, machineries, furniture, Buses, Trucks Tractors, boats. borges, lauches, equipments, tools, instruments electronic goods, implements, utensils, appliances, apparatus, requisites and accessories.
66. to carry on the business of Manufacturing, processing and marketing of plastic processed goods such as co-extruded plastics films, mono-films, laminates, sheets, bags. moulded and extruded products for industrial, agricultural and packaging applications.
67. To carry on the business as producers of and dealers in food stuff and food products of every description, whether for human, animal or poultry and piggery consumption, fish milk, butter, cream cheese oil. fruits, vegetables, confectionery, sweet-meats, sugar, jams, jellies, pickles, drinks, beverages, distillers and masters in all its branches.
68. To carry on business as limber merchants, saw mill proprietors and timber growers and to buy, sell grow, prepare for market, manipulate export. Import and deal in timber and wood of all kinds and to manufacture and deal in articles of all kinds, in the manufacture of which timber or wood is used and to buy, plant clear, plant and work timber estates.
69. To carry on the business of wholesale, and retail merchants in all kinds of electric bulbs, neon-lamps. Neo -signs, dry batteries and various classes of electric goods.
70. To carry on business as manufacturers of an dealers in all kinds of cookers and cooking equipment and all kinds of hardware, including stoves, ranges, boilers, geysers and cooking. heating and ventilating apparatus and fitting, whether for use with gas, liquefied gas, electricity, coal, oil or otherwise.

AND IT IS HEREBY DECLARED THAT:

- (i) The objects incidental to or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company hereinbefore mentioned.
- (ii) The word "Company"(save when used with reference to this Company) in the Memorandum shall be deemed to include any partnership or other body or other association or persons whether Incorporated or not any wherever domiciled.
- (iii) The objects set forth in each of the several clauses of paragraph III hereof shall have the widest possible construction and shall extend to any part of the world.
- (iv) Subject to the provisions of the Companies Act, 1956, the objects set forth in any clause of sub-paragraph (C) above shall be Independent and shall be in no way limited or restricted by reference to or interference from the terms or any of the clauses of subparagraph (A) or by the name of the Company. None of the clauses in sub-paragraph (C) or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the object mentioned in any of the clauses of subparagraph(A)

Mode of payment of commission

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

Variation of rights of any class of shares

11. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

Provisions of General Meeting to be applicable to separate meetings

12. (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least five persons holding at least one-third of such of the paid-up shares capital of the company as on date carries the right of voting.

Issue of further shares not to affect rights of existing members

13. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Power to issue redeemable preference shares

14. Subject to the provisions of section 55, any preference shares may, with the sanction of a special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

14A. Redeemable Preference Shares

The Company shall have power to issue Preference Shares liable to be redeemed in any manner permissible under the Act and the directors may, subject to the provisions of the Act, exercise such power in any manner as they think fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they think fit.

14B. In the issue of Redeemable Preference Shares under the provisions of Article 6B, the following provisions shall take effect:

- a) No such shares shall be redeemed except out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- b) No such shares shall be redeemable unless they are fully paid;
- c) The premium, if any, payable on redemption shall have been provided for out of the profits of the company or out of the Company's Share Premium Account before the shares are redeemed;
- d) Where any such shares are redeemed otherwise than out of the proceed of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to Reserve Account, a sum equal to the nominal amount of the shares redeemed, and the provisions of the Act relating to the reduction of the share capital of a company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company;
- e) Subject to the provisions of the Section 55 of the Act, the redemption of Preference Shares may be effected in accordance with the terms and conditions of their use and failing that, in such manner as the shares redeemed or to be redeemed as if those shares had never been issued;

- f) Whenever the Company shall redeem any Redeemable Preference Shares the Company shall, within thirty days thereafter, give notice to the Registrar of the Companies as required.

Further issue of share capital

15. (i) The Company, as the case may be may, in accordance with the Act and the Rules, issue further shares to:
- a. person who, at the date of offer, are holders of equity shares of the Company, such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour to any other person; or
 - b. employees under any scheme of employees' stock option, subject to approval by the shareholders of the Company by way of a special resolution; or
 - c. any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above, subject to approval by the shareholders of the Company by way of a special resolution.

Mode of further issue of shares

- ii. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

Sweat equity shares

16. Subject to the provisions of the Act and other applicable provisions of law, the Company may with the approval of the shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf

Terms of issue of debentures

17. Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued on the condition that they may or may not be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise, Debentures of other securities with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.

Lien

Company's lien on shares

18. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Lien to extend to dividends, etc.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

As to enforcing lien by sale

19. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

Validity of sale

20. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

Purchaser to be registered holder

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

Purchaser not affected

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Validity of Company's receipt

21. The receipt of the Company for the consideration (if any) given for the shares on the sale thereof shall (Subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the shares and the purchaser shall be registered as the holder of the shares.

Application of proceeds of sale

22. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

Payment of residual money

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Outsider's lien not to effect Company's lien

23. In exercising its lien, 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 unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

Provisions as to lien to apply mutatis mutandis to Debentures, etc.

24. Unless otherwise provided under the Act, the provisions of these Articles shall *mutatis mutandis* apply to the lien on other Securities including debentures of the Company.

Calls on shares

Board may make calls

25. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Notice of call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

Board may extend time for payment

(iii) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

Revocation or postponement of call

(iv) A call may be revoked or postponed at the discretion of the Board.

Call to take effect from date of resolution

26. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

Liability of joint holders of shares

27. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

When interest on call payable

28. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

Board may waive interest

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

Sums deemed to be calls

29. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

Effect of non-payment of sums

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Payment in anticipation of call may carry interest

30. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Installments on shares to be duly paid

31. If by the conditions of allotment of any shares, the whole or part of the amount or issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

Calls on shares of same class to be on uniform basis

32. All calls shall be made on a uniform basis on all shares falling under the same class.

Partial payments not be preclude forfeiture

33. Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

Transfer of shares

Instrument of transfer to be executed by transferor and transferee

34. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

Transfer not to be registered except on production of instrument of transfer

35. The Company shall not register a transfer of shares in, or debentures of the Company held in physical form unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificates relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures.

Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferee has been lost or where the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit;

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law.

Board may refuse to register transfer

36. The Board may, subject to the right of appeal conferred by section 58 declines to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the company has a lien.

Board may decline to recognize instrument of transfer

37. The Board may decline to recognize any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of shares.

Notice of refusal to be given to transferor and transferee

38. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

No transfer to minor

39. No transfer shall be made to a person of unsound mind, however, transfer of fully paid up shares can be made in the name of a minor if he is represented by his lawful guardian.

When transfers to be retained

40. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall be returned to the person depositing the same.

Fee on transfer

41. The Board may, in their discretion, waive the payment of any transfer or transmission fee either generally or in any particular case or cases.

Power to close Register of Members or other security-holders

42. The Company may, after giving not less than seven days previous notice by advertisement in the newspaper circulating in the district in which the registered office of the Company is situated, close the register of members or the register of debenture-holders or other security holder for any period or periods not exceeding in the whole forty five days in each year, but not exceeding thirty days at any time.

Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.

43. The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Transmission of shares

Title to shares on death of a member

44. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Transmission Clause

45. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

Board's right unaffected

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Indemnity to the Company

46. The company shall be fully indemnified by such person from all liability, if any, by action taken by the Board to give effect to such registration or transfer.

Right to election of holder of share

47. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

Manner of testifying election

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

Limitations applicable to notice

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Claimant to be entitled to same advantage

48. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Provisions as to transmission to apply mutatis mutandis to debentures, etc

49. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Forfeiture of shares

If call or installment not paid notice must be given

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

Form of notice

51. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

In default of payment of shares to be forfeited

52. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Entry of forfeiture in register of members

53. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

Effect of forfeiture

54. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

Forfeited shares may be sold, etc.

55. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

Cancellation of forfeiture

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Members still liable to pay money owing at time of forfeiture and interest

56. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

Members still liable to pay money owing at time of forfeiture and interest

(ii) all such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until the payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

Cessation of liability

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

Certificate of forfeiture

57. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

Title of purchaser and transferee of forfeited shares

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

Transferee to be registered as holder

(iii) The transferee shall thereupon be registered as the holder of the share; and

Transferee not affected

(iii) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

Validity of the sales

58. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

Cancellation of share certificate in respect of forfeited shares

59. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

Surrender of share certificate

60. The Board may, subject to the provisions of the Act, accept a surrender of the share certificate for any forfeited share from or by any member desirous of surrendering them on such terms and they may think fit.

Sum deemed to be calls

61. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.

62. The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Alteration of capital

Alteration of capital

63. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

Power to alter share capital

64. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Shares may be converted into stock

65. Where shares are converted into stock, —

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Right of stockholders

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

Reduction of capital

66. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalization of profits

Capitalization

67. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Sum how applied

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

Power of the Board for capitalization

65. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

Board's power to issue fractional certificates / coupon etc.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

Agreement binding on members

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

Buy-back of shares

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

Restrictions on purchase by Company of its own shares

69. The Company shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding company, save as provided by the Act.

General meetings

Extra Ordinary General Meeting

70. All general meetings other than annual general meeting shall be called extraordinary general meeting.

Powers of Board to call Extra Ordinary General Meeting

71. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

Presence of Quorum

72. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Quorum for general meeting

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

Chairperson of the meetings

73. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

74. No business shall be discussed or transacted at any General Meeting whilst the chair is vacant, except election of Chairperson.

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

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

Power of Chairperson

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

Casting vote of Chairperson at general meeting

78. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

Minutes of proceedings of meeting and resolutions passed by postal ballot

79. (i) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

Certain matters not to be included in the minutes books

(ii) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting,

- a. Is, or could reasonably be regarded, as defamatory of any person; or
- b. Is irrelevant or immaterial to the proceedings; or
- c. Is detrimental to the interest of the Company.

Discretion of the Chairperson in relation to minutes

(iii) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

Minutes to be evidence

(iv) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

Inspection of minute books of general meeting

80. (i) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

- (a) Be kept at the registered office of the Company; and
- (b) Be open to inspection of any member without charge, during the business hours on all working days.

Members may obtain copy of the minutes

81. Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board with a copy of the minutes referred to above.

Adjournment of meeting

Chairperson may adjourn the meeting

82. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

Business at adjourned meeting

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Notice of adjourned meeting

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Notice of adjourned meeting not required

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

Voting rights

Entitlement to vote on show of hands and on poll

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

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

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

Voting through electronic means

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

Vote of joint holders

85. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

How members non compos mentis and minor may vote

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

Business may proceed pending poll

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

Restriction on voting rights

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

Validity of the Vote

89. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

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

Proxy

Member may vote in person or otherwise

90. Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf for that meeting.

Proxies when to be deposited

91. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Form of proxy

92. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

Proxies to be valid not withstanding death of the principal

93. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

Board of Directors

Board of Directors

94. Unless otherwise determined by the Company in general meeting, the number of Director shall not be less than three and shall not be more than fifteen. The Present Directors of the Company are:

1. Mr. Haridas Kanani;
2. Dr. Harin Kanani;
3. Mr. Sanjay Mehta;
4. Mr. Hitesh Reshamwala;
5. Mr. Shyamsunder Upadhyay; and
6. Mr. Anurag Surana

First Directors

95. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum.

Qualification of Directors

96. No Director of the Company is required to hold any qualification share of the Company.

Nominee Directors

97. Notwithstanding anything contrary contained in the Articles, if the Company has availed any loan(s) from, or issued any debentures or other instruments / securities to any bank(s), financial institution(s), non-banking financial companies, asset reconstruction companies or any other body corporate (“Lender(s)”) and so long as any monies with respect to such loans(s) granted by such Lender(s) to the Company remain outstanding by the Company to any Lender(s) or so long as the Lender(s) continue to hold debentures in the Company by direct subscription or private placement, or so long as the Lender(s) hold equity share in the Company as a result of conversion of such loans / debentures, or if the agreement with the respective Lender(s) provide for appointment of any person or persons as a Director or Directors, or if the Company is required to appoint any person as a director pursuant to any agreement, (which Director or Directors is / are herein after referred to as “Nominee Director(s) / Observer(s)”) on the Board, the Company may appoint such person nominated by such Lender(s) as Nominee Director / Observer, in accordance with the terms and conditions specified in the agreement executed with such Lender.

Same individual may be Chairperson and Managing Director/ Chief Executive Officer

98. The same individual may, at the same time, be appointed as the Chairpersons of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to section 203 of the Act.

Remuneration of Directors

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

Travelling and other expenses

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

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

Remuneration to require member’s consent

(iii) The remuneration payable to the Directors, including any managing or whole-time director or manager, if any shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.

Directors sitting fees

100. The fees payable to the Director for attending the meeting of the Board or committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or Rules there under.

Payment of Incorporation expenses

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

Foreign Registers

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

Execution of negotiable instruments

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

104. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

Appointment of Additional Director

105. (i) Subject to the provisions of section 161, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Duration of the office of the Additional Director

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Appointment of Alternate Director

106. The Board may appoint an alternate director to act for a Director (hereinafter in this Article call "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

Duration of office of Alternate Director

107. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

Re-appointment provisions applicable to Original Director

108. If the term of office of the Original Director is determined before he returns to india the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the alternate director.

Appointment of Director to fill casual vacancies

109. (i) If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board

Duration of office of Director appointed to fill casual vacancies

(ii) The Director so appointed shall hold office only upto the date upto which the Director in whose place be is appointed would have held office if it had not been vacated.

Power of Board

General powers of the Company vested in Board

110. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts deeds and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent

with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Borrowing powers

Power to borrow

111. The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company;

Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Conditions on which money may be borrowed

112. The directors, with shareholders' consent where required by the Act and Rules may raise or secure the payment or repayment 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 charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Proceedings of the Board

When meeting to be convened

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

Who may summon Board Meeting

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

Minimum number of the Board Meeting

(iii) A meeting of the Board of Directors shall be held at least four times every year and not more than 120 days shall lapse between two Board Meetings.

Notice of Meeting

114. Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.

Quorum of the Board Meeting

115. The quorum for a Board Meeting shall be as provided in the Act and Rules made there under.

Participation t Board Meeting

116. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

Questions at Board Meeting how decided

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

Casting vote of Chairperson at Board Meeting

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

Directors not to act when number falls below minimum

118. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

Who to preside at meetings of the Board

119. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

Absence of Chairperson

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

Delegation of power

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

Committee to conform to Board regulations

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Participation at Committee meetings

(iii) The participation of Directors in a meeting of the committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may prescribed by the Rules or permitted under law.

Chairperson of Committee

121. (i) A committee may elect a Chairperson of its meetings.

Who to preside at meetings of committee

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

Committee to meet

122. (i) A committee may meet and adjourn as it thinks fit.

Questions at committee meeting how decided

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

Acts of Board or Committee valid notwithstanding defect of appointment

123. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as

aforsaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly pointed and was qualified to be a director.

Passing of resolution by circulation

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

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

Chief Executive officer, etc.

125. Subject to the provisions of the Act, —

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

Director may be chief executive officer, etc

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

Same person not authorized to act in different capacity

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

Managing Director

Managing Director

127. (i) Subject to the provision of the Act, the Directors may from time to time appoint one or more of their body to be the Managing Director of the Company, in accordance with the provisions of the Act and the Rules.

(ii) A Managing Director so appointed shall exercise the power and authorities conferred upon him by an agreement entered into between him and the Company and/or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act.

128. The Managing Director can also be appointed as a Chairman of the Company, in accordance with the provisions of the Act and the Rules.

Registers

Statutory Register

129. The Company shall keep and maintain at its registered office all statutory registers for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as may be prescribed by the Act and the Rules. The registers and copies of Annual Return shall be open for inspection during the business hours on all working days at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

- (i) The Company may exercise the powers conferred on it by the Act with regards to the keeping of a foreign register and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.
- (ii) The foreign register shall be open for inspection and may be closed and extracts may be taken there from and copies thereof may be required in the same manner, *mutatis mutandis* as is applicable to the register of members.

The Seal

130. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director or company secretary if any, or such other person as the Board may appoint for the purpose; and those directors or company secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

***"Explanation-: For the purposes of this sub-paragraph it is hereby clarified that on and from the commencement of the Companies (Amendment) Act, 2015 (21 of 2015), i.e. with effect from the 29th May, 2015, company may not be required to have the seal by virtue of registration under the Act and if a company does not have the seal, the provisions of this sub-paragraph shall not be applicable."**

Dividends and Reserve

Company in general meeting may declare dividend

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

Interim dividends

132. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

***Amended as per notification issued by Ministry of Corporate Affairs dated 10th April, 2018.**

Dividends only to be paid out of profits

133. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

Carry forward of profits

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

Division of profits

134. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

Payment in advance

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

Dividends to be apportioned

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

No member to receive dividend whilst indebted to the Company

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

136. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

Instrument of payment

137. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

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

Receipt of one holder sufficient

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

Notice of Dividend

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

No interest on Dividend

140. No dividend shall bear interest against the company.

Accounts

Inspection by Directors

141. The Books of account and books and papers of the Company, or any of them shall be open to the inspection of Directors in accordance with the applicable provisions of the Act and the Rules.

