

**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION**



**ELECTROTHERM
(INDIA) LTD.**



CO. NO. 04 - 9126

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

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, GUJARAT
[Under The Companies Act, 1956 (1 of 1956)]

IN THE MATTER OF **FOREMOST CHEMICALS LIMITED**

I HEREBY CERTIFY THAT **FOREMOST CHEMICALS LIMITED** WHICH WAS ORIGINALLY INCORPORATED ON **29-10-1986** UNDER THE COMPANIES ACT, 1956 AND UNDER THE NAME **FOREMOST CHEMICALS LIMITED** HAVING DULY PASSED THE NECESSARY RESOLUTION IN TERMS OF SECTION 21/31/44 OF THE COMPANIES ACT, 1956 AND THE APPROVAL OF THE CENTRAL GOVERNMENT SIGNIFIED IN WRITING HAVING BEEN ACCORDED THERETO IN THE MINISTRY OF LAW, JUSTICE & COMPANY AFFAIRS; DEPARTMENT OF COMPANY AFFAIRS, (COMPANY LAW BOARD) ON _____ VIDE LETTER NO. : **9126** DATED **31/03/1994** THE NAME OF THE SAID COMPANY IS THIS DAY CHANGED TO **ELECTROTHERM (INDIA) LIMITED** AND THIS CERTIFICATE IS ISSUED PURSUANT TO SEC.23(1) OF THE SAID ACT. GIVEN UNDER MY HAND AT AHMEDABAD THIS **31ST MARCH, 1994 ONE THOUSAND NINE HUNDRED NINETY FOUR.**



Sd/-
(V.K.PARMAR)
ASST. REGISTRAR OF
COMPANIES
GUJARAT
DADRA & NAGAR HAVELI



FORM I. R.

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

PURSUANT OF SECTION 149 (3) OF THE COMPANIES ACT, 1956

NO. : 9126 OF 1986 - 87

*I HEREBY CERTIFY THAT **FOREMOST CHEMICALS LIMITED**
WHICH WAS INCORPORATED UNDER THE COMPANIES ACT, 1956
ON THE **TWENTY NINTH DAY OF OCTOBER, 1986** AND WHICH
HAS THIS DAY FILED A DULY VERIFIED DECLARATION IN THIS
PRESCRIBED FORM THAT THE CONDITIONS OF SECTION 149 (1)
(A) TO (D) / 149 (2) (A) TO (C) OF THE SAID ACT, HAVE BEEN
COMPLIED WITH, IS ENTITLED TO COMMENCE BUSINESS.*

*GIVEN UNDER MY HAND AT **AHMEDABAD** THIS **THIRTY FIRST**
DAY OF **OCTOBER** ONE THOUSAND NINE HUNDRED AND **EIGHTY**
SIX.*



Sd/-
(S. K. RAVI)
REGISTRAR OF COMPANIES
GUJARAT
DADRA & NAGAR HAVELI



FORM I. R.

CERTIFICATE OF INCORPORATION

NO. : 9126 OF 1986 - 87

*I HEREBY CERTIFY THAT **FOREMOST CHEMICALS LIMITED** IS THIS DAY INCORPORATED UNDER THE COMPANIES ACT, 1956 (NO. 1 OF 1956) AND THAT THE COMPANY IS LIMITED.*

*GIVEN UNDER MY HAND AT **AHMEDABAD** THIS **TWENTY NINTH** DAY OF **OCTOBER** ONE THOUSAND **NINE HUNDRED EIGHTY SIX**.*



Sd/-
(S. K. RAVI)
REGISTRAR OF COMPANIES
GUJARAT
DADRA & NAGAR HAVELI

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
(Incorporated under the Companies Act, 1956)
MEMORANDUM OF ASSOCIATION
OF
ELECTROTHERM (INDIA) LIMITED

- I. The name of the Company is "**ELECTROTHERM (INDIA) LIMITED**".
- II. The Registered Office of the Company will be situated in the "State of Gujarat".
- III. The Objects for which the Company is established are :

MAIN OBJECT

A. THE MAIN OBJECT TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION IS :

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1. To design, develop, manufacturer, assemble, sale, erect, commission, repair, up-grade, overhaul and service induction Furnace, Heating and Hardening Equipment, MF Induction Melting Furnace, DC Arc Melting Furnace, DC Ladle Refining Furnace, Metal Refining convertor, Vacuum Degassing Systems, Induction Heating Equipment, Ox-Air Burners, Electric Sintering/Drying Heaters and other metallurgical equipment's, electrical and engineering components and spare parts.
2. To design, develop, manufacture, assemble, and buy, sale, import, export, repair of cycle and motor cycles and its parts.
3. To carry on the business of manufacturers, traders, processors of Iron & Steel and products of Iron & Steel, including melting, casting, forging, machining, assembly, fabrications and other methods of manufacturing, processing and fabrication.
4. To carry on the business of manufacturers, traders and assembly of Two Wheelers, Three Wheelers and Four Wheelers of all types, operating on all types of fuels including Electric or hybrid and also to manufacture and Assembly of components of Two Wheelers and all types of Automobiles and engines including railway engines.
5. To carry on the business of generation of Electric Power for captive use and third party sale by all methods including wind, hydel, thermal, liquid fuel and other types of fuel and energy.
6. To carry on the business of researching, designing, developing, manufacturing, processing, generating, accumulating, representing, distributing, stocking, transferring, marketing, selling, servicing, supplying, engineering, contracting, erecting, commissioning, merchandising, managing, maintaining, leasing, utilizing and renting etc. as developers, researchers, engineers, manufacturers, producers, consultants, importers, exporters, buyers, sellers, assemblers, hirers, repairers, dealers, distributors, stockiest, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators, partners and advisors etc. for all, any and every kind and types of plants, systems, equipment, items, devices, products, machines, parts, components, spares, hardware, assemblies and sub-assemblies etc. related to generation, use, application and utilization of renewable energy resources like solar, wind, tidal, bio-mass, geothermal natural gas, hydrogen, hythane etc. of all, any and every kind and type including photovoltaic cells, windmills, wave motion generators, gobar gas distribution and utilizing systems with battery storage, transformers, inverters, charge controllers, instrumentation and auto-switching, water heaters and steam generators, incinerators, organic and in organic waste management systems, boilers, vacuum tubes, radiators, water coolers, lighting products, energy collectors, energy accumulators, energy pumps, heat pumps, water distillation and desalination plants and systems, refrigeration plants and cold storage plants and systems, air heating, air cooling and air conditioning plants and systems, heat exchangers, insulating systems, including insulating materials, evaporators, condensers and absorption systems, absorption, adsorption and desiccant coolers, chillers and systems, air circulating, air suction and delivery fans and systems, air filtration systems, solar light pipes, guides and vents, renewable energy control instrumentation and systems, humidification and dehumidification plants and systems, renewable energy based household, consumer, educational and novelty products etc.
7. To carry on in India or abroad the business to manufacture, construct, fabricate, install, assemble, import, export, service, hire, let on hire, purchase, lease, repair, alter and deal in power and distributor transformers, panel board, distribution boxes and other accessories, spare parts, components, appliances, tools and apparatus necessary or useful for or in connection therewith, power electronic products such as Dynamic Power Factor Compensation (DPFC), Static Var Compensator (SVC Controller) and other power electronic products and to carry out the research and development activity thereto.

8. To manufacture, produce, trade, export, import, market and deal in coin blank, coin prints, copper brass, stainless steel, mild steel, bolt and re-rolled sections of all sizes and specifications of ferrous and nonferrous, including angles, bars, flats, plates, rods, rails, rounds, octagons, hexagons, joint channels, sheets, strips, plates and cold twisted bars and other structures, steel extruded sections, forgings and to manufacture and deal in domestic goods made up of any metals and to manufacture and deal in steel and aluminium furniture and foils manufactured from aluminium and other ferrous and non-ferrous metals.
9. To carry on the business of providing services and solutions to the building and construction industry like designing, fabrication, erection, installation, supervision and project management in relation to the use of the products manufactured including solutions relating to roofing and walling systems, insulation panels, light steel framing solutions, pre-engineered building solutions, decking solutions, home improvement solutions, structural solutions and rainwater solutions on a turnkey basis or otherwise.
10. To carry on the business relating to construction, modification, repairing, alteration, erection, commission, removal, redecoration, redesigning, enlarging, improving, designing of Towers, Transmission line towers for the purpose of conservation, distribution and supply of electricity of participating industries, state electricity boards and other boards for industrial, commercial, domestic, public and other purposes and also to provide regular services for repairing and maintenance of all distribution and supply lines whether on turnkey basis or on labour contracts or otherwise.

B. THE MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE (IIIA) :

1. To enter into partnership or into any arrangement for sharing profits or loss or any union of interest joint venture reciprocal concession or co-operation with any person or persons or company or companies carries on or engage in or about to carry on or engaged in any business or transaction which the Company is authorised to carry on and to enter into contracts, agreements and arrangements with any other company, firm or person for carrying out by such other company, firm or person on behalf of the Company of the objects for which the Company is formed.
2. Subject to Section 73, 179, 180 and 181 of the Companies Act, 2013 and rules made there under, and the directions issued by the R.B.I. to borrow or raise or secure the payment of money such manner and/or such terms and with such rights, powers and privileges as may be thought fit & determined from time to time and in particulars by the issue or sales of any debenture, debenture stock, bonds, bills of exchange, promissory notes or other obligation or securities of the Company full power to make the same transferable by delivery of by instrument of transfer or otherwise and either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the understanding of the Company or upon any specific property and rights, present or future of the Company and to devote any money so raised to any of the objects of the Company upon such terms and conditions as may mutually be arranged, provided that the Company shall not do any Banking Business within the meaning of Banking Regulations Act 1949.
3. Subject to provisions of Section 73 of the Companies Act, 2013 and rules there under and directions issued by Reserve Bank of India to receive money deposits on interest or otherwise and to lend money negotiate loans with or without security to such companies, firms or persons and on such terms as may seem expedient, and to guarantee the performance or contracts by any person, companies or firm provided the Company shall not carry on the business of banking and to guarantee the payment of money unsecured or secured or payable under or in respect of promissory notes, bonds, debentures, debenture stocks, contracts, mortgages, charges, obligations, instruments and securities of any company or of authority, supreme, municipal, local or otherwise of any persons whomsoever, whether incorporated or not incorporated and to guarantee or become sureties for the performance of any contracts or obligations as may be necessary for purpose of the Company.
4. To establish and/or support aid in the establishment and support of associations, institutions, clubs, societies, funds, trust and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or the connections of such persons or subject to provisions of section 182 of the Companies Act, 2013 to subscribe or guarantee money for any charitable national, religious, benevolent, general or useful object of fund, or for any purpose which may likely, directly or indirectly, further the objects of the Company or the interest of its members or business.
5. To apply for, purchase or otherwise acquire any patents, invention, licenses, concessions, protections, right, privileges and the like conferring exclusive or nonexclusive or limited right to use or any secret or other information as to invention which may seem capable of being used for any of the purposes of the Company of the acquisition of which may seem calculated directly or indirectly to benefit the Company or may appear likely to be advantageous or useful to the Company and to use, exercise, develop or grant licenses, privileges in respect or otherwise turn to account the property, rights or information so acquired and to assist, encourage and spend money in making experiments, test, improvements of all inventions patents and rights which the Company may acquire or propose to acquire, and to dispose of copyrights, right of representation, licenses and any other rights or interest in any book, paper, pamphlet, drama, play, poem, song, composition (musical or otherwise), picture, drawing, work of art or photograph, and to print, publish or cause to be printed or published anything of which the Company has a copyright or right to print or

publish, and to sell distribute and deal with any matter so printed or published in such manner as the Company may think fit and to grant licenses or rights in respect of any property of the Company to any other person, firm or company.

6. To acquire, and take over either the whole or any part of the business, goodwill, trademarks, patents and property, assets and liabilities of any person or persons, firm or corporation, carrying on any business which the Company is authorised to carry on and to establish branches and agencies of the Company in India and elsewhere and to discontinue the same whenever necessary and to pay for any property or rights acquired by the Company either in cash, or fully or partly paid up share or by their issue of the securities or partly in one mode and partly in another and generally on such terms may be determined.
7. Subject to Sections 73, 179, 180 and 181 of the Companies Act, 2013 and the rules framed there under and directions issued by the RBI from time to time to borrow or raise money on any terms without security or on the security of land, buildings, factories, machinery, tools, bills of exchange, promissory note, bonds, bills of lading, warrants, stock, shares, debentures, debenture stock, book debts, stock or bonds either at par, premium or discount and either redeemable or irredeemable, secured upon all or any part of the undertaking rights and properties of the Company present and future including its uncalled capital or the called but unpaid capital of the Company and to purchase, redeem, pay off or satisfy such securities undertaking of the Company and properties, of every description or any one or more of them and to receive money on deposit or/and loans from persons having dealings with the Company upon such terms as the Company may approve for the business of the Company.
8. To draw, accept, endorse, discount, execute and issue or negotiate cheques, bills of exchange, promissory notes, hundies, bills of lading, and other negotiable instruments.
9. To adopt such means of making known the products or business of the Company as may seem expedient and in particular by advertising in the press, by circulars, on television, or radio, purchase and exhibition of works of art, by publication of books and periodicals, and by granting prizes, rewards, scholarship, and donations and by holding seminars and conferences.
10. To advance or lend money to such person or persons and upon such terms as may be seem expedient and in particular to customer or and other persons having dealing with the Company and to guarantee the performance of contracts by members or persons having dealing with the Company. Provided that the Company shall not to do any Banking business within the meaning of Banking Regulation Act, 1949.
11. To make advances to any trust, firm, company or co-operative society having dealing with the Company with or without security, and upon such terms as the Company may approve.
12. To engage, employ, suspend and dismiss executives, engineers, agents, managers, superintendent, assistants, clerks and other servants and labourers and to remunerate any of such person at such rate as shall be thought fit, to grant bonus, compensation, pension or gratuity to any such person or to his widow or children and provide for the welfare of all employees.
13. To grant an annuities, personal allowances, gratuities, bonuses to any employee or ex-employee (including Directors, ex-Directors, Managers of the Company) or the relations, connections or dependents of any such persons and to establish or support associations and institutions, clubs, schools, funds, schemes and to trusts (religious, scientific, educational, provident and otherwise) which may be considered calculated to benefit any such persons or otherwise advance the interest of the Company or of its members and to establish and contribute to any scheme for the purchase by trustees of shares in the Company to held for the benefit of the Company's employees and to formulate and to carry into effect any such scheme for sharing the profit of the Company with its employees or any of them and subject to Section 182, of the Act to subscribe or grant money for charitable or benevolent objects or for any exhibition or usual object or earmark a promotion of the profits and/or property of the Company or create a fund or funds for any such objects or purposes.
14. To remunerate any person or company for services rendered in connection with the formation of the Company or the acquisition or disposal of property by the Company or the conduct of its business.
15. To pay for any property rights or privileges, acquired by the Company or for the services rendered or to be rendered in connection with the property of the Company or otherwise either wholly or partly in cash or in shares, bonds, debentures or other securities of the Company and to issue any shares either as fully paid up or with such amount credited as paid up thereon, as may be agreed upon and to charge any such bonds, debentures or other securities upon all or any part of the property of the Company, while so doing the Company shall comply with all the requirements of law for the time being in force.
16. To insure all or any of the properties or obligations of the Company of whatsoever nature against any risk whatsoever.
17. To create any depreciation fund, reserve fund, insurance fund, sinking fund or any other special fund, excluding funds whether for depreciation or repairs, replacement, improvement, extension or maintenance of any of the properties

of the Company by way of development, rebate, reserve or for redemption of debentures or redeemable preference shares or for any other purpose conducive to the interests of the Company.

18. To expend money in experimenting, developing, planning and testing and improving or seeking to improve any patents, right, inventions, discoveries, process or information of the Company or which the Company may acquire or propose to acquire.
19. To invest other than investment in Company's own shares and deal with the money of the Company not immediately required in such manner as may from time to time seem expedient and be determined by the Company.
20. To advance or lend money and to deposit securities and properties with the Government and/or to receive loans or grants deposits from the Government.
21. To make any loan to any person on any terms whatsoever provided that the Company shall not carry on the business of banking, as define of under the Banking Regulation Act, 1949 and the grant of such loan does not tantamount to carrying on banking business.
22. To set up joint venture anywhere in the world by providing know-how for such product or business as may be manufactured or carried on by the Company and to provide such know-how in consideration of moneys calculated on the sales or net profits of the joint venture or partly in one mode and partly in another and to also participate in the equity capital of any such joint venture or partly in one mode and partly in another and to also participate in the equity capital of any such joint venture.
23. Subject to the provisions of the Section 52 of the Companies Act, 2013 to place, to reserve or issue bonus shares among the members or otherwise to apply as the Company may from time to time think fit any moneys belonging to the Company including those received by way of premium on shares or debentures issued by the Company at premium and any moneys received in respect of dividend accrued on forfeited shares and moneys arising from their issue by the Company of forfeited shares.
24. To enter into any arrangement or agreement with the Government or authorities, municipal, local or otherwise that may seem conducive to the objects of the Company or any of them and to obtain from any such Government or authority any rights, concessions and privileges which the Company may think fit and desirable, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
25. To pay all preliminary expenses if any company promoted by the Company or any company which the Company is or may contemplate being interested including any such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by the Company.
26. To pay out of the Company's fund the cost of underwriting expenses and expenses incurred in connection with all the matters preliminary and incidental to the formation, promotion and incorporation of this Company and the costs, under writing expenses, brokerage on issue of shares or debentures, incentives and expenses incurred on connection with all matters preliminary or incidental to the formation and incorporation of any company which may be promoted by this Company and underwrite the shares or debentures issued by any such company.
27. To buy, lease or otherwise acquire or procure technical know-how and to sell, lease out or otherwise provide technical know-how to others whether in India or outside India.
28. To establish, provide, maintain and conduct, or otherwise subsidies research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical researches, experiments and tests to all kinds and to promote studies and research, both scientific and technical, investigations or inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and to encourage, promote and reward studies, researches, investigation, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.
29. In the event of winding up to distribute among the members in specie or in kind any property of the Company, or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital shall be made, except with the sanction (if any) for the time being required by law and to capitalise its reserves.
30. To improve, manage, cultivate, develop, exchange, let on lease, mortgage, sell, dispose of turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of properties and rights of the Company on such terms as the Company shall determine, and to supply power, light and heat, and to lay out land for building

purposes and to sell the same, and to build on, improve, let on lease, advance money to persons constituting building thereon.

31. To undertake and execute any trust which may be of benefit to the business of the Company directly or indirectly.
32. To form, incorporate or promote or join in the promotion of any company or companies whether in India or Foreign having amongst its or their object the acquisition of all or any of assets, rights, liabilities or control, management of development of the Company or any other object or objects which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs, expenses incurred in connection with any such promotion or incorporation and to remunerate any person of company in any manners it shall think fit for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscriptions of or the placing of any bonds, debentures, obligations, or securities of the Company or any stock, shares, debentures obligations or securities of any other company held or owned by the Company or in which the Company may have any interest or the conduct of its business or in or about the promotion or formation of any other company in which may have an interest.
33. To enter into partnership or any other individual arrangement for sharing profits, co-operation, joint venture, reciprocal concession, licence or otherwise with any person, firm association society or body corporate carrying on or engaged in or about to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit the Company and to give any special rights, licences and privileges in connection therewith and in particular the right to nominate one or more person or persons whether they may be shareholders or not to be directors of such company.
34. To amalgamate, demerge, reconstruction, enter into partnership or into any arrangement for sharing profits or losses, union of interests, co-operation, joint venture or reciprocal concession, with any person or company; and to accept by way of consideration for any of the acts or things aforesaid property so acquired, any cash, shares, debentures, debenture-stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture-stock or securities so received.
35. To sell or subject any concession licence obtained or contracts entered into and to sell the whole or any part thereof for such consideration as the Company may think fit of the property and business of the Company for cash or for shares whether fully paid up or not, debentures or securities of any other company or partly in cash, or partly in such shares debentures or securities as distributed in spice among the members of otherwise.
36. Subject to section 182 of the Act, to make donation to such persons or institutions and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and also to subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public or cultural, educational or other institutions or objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support or associations, institutions, funds, trusts and conveniences for the benefit for the employees or ex-employees (including Director) of the Company or its predecessors in business or of persons having dealing with the Company or the dependents, relatives or connections of such person and in particular friendly or other benefit societies and to grant pensions, allowances, gratuities and bonuses either by way of annual Payments or a lump sum and to make payments towards insurance and to form and contribute to provident and benefit funds of or for such persons.
37. To aid pecuniary or otherwise any association, body or movement having for an object the solution, or settlement of industrial or labour problems or troubles or the promotion of trade or industry in any manner whatsoever.
38. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution, or fund in any way connected with any particular industry, trade or business or with industry, trade or commerce generally including any association, institution or funds for the protection of the interest of masters, owners and employers against losses resulting from bad debts, strikes, commotion, fire accidents, or otherwise or for the benefit of any officers, managers, foreman, clerks, workmen of others at any time employed by the Company or any of its predecessors in business or their families or dependents and whether or not in common with other persons or classes of persons and on particular of friendly, cooperative and the societies, establish, maintain and run reading rooms, libraries, educational and charitable institutions, canteen, dinning and recreation rooms, places of worship, schools, dispensaries and hospitals and to grant gratuities, pensions and allowances and to contribute to any National or memorial fund of any other funds raised by public or local subscription for any purpose whatsoever.
39. To organise seminars, conduct research evaluation and other studies in connection with the business of the Company.
40. To procure the Company to be registered or recognised in any country or place outside India.

41. To enter into any arrangements, to take all necessary or proper steps with governments or with other authorities supreme, national, local municipal, of otherwise of any place in which the Company may have interest and to carry on any negotiation or operations for the purpose of directly or indirectly carrying out the objects of the Company or affecting any modification in the constitution of the company or furthering the interests of its members and to oppose any such steps by any company, firm or person which may be considered likely, directly or indirectly, to prejudice the interests of the Company or its members and to assist the promotion whether directly, or indirectly of any legislation which may appear to be in the interests of the Company and to make representation against and resist whether directly or indirectly, any legislation which may seem advantageous to the Company and to obtain from any such Government authority or any company, any charters, decrees, rights, grants, loans, privileges or concessions which the Company may think fit or desirable to obtain and carry out, exercise and company with the same.
42. To do all or any of the above things as principles, agents, trustee or contractors and either alone or in conjunction with others and either by or through agents, subcontractors, trustee or otherwise, in connection with the business of the Company.
43. To institute and defend any suit, appeal application for review, for revision or any other application of any nature whatsoever, to take out executions to enter into agreements of references to arbitration and to enforce and where need to contest any awards and for all such purpose to engage or retain counsels, attorneys any agents and when necessary to remove them.
44. To set up guest houses, hostels, chummeries, schools, colleges, hospitals, nursing homes, dispensaries, canteens, recreations centres and clubs for labour and staff of the Company and permit use of the same by other connected with Company or not.
45. To Transact or carry on all kinds of agency business and the business of hire-purchase in all its branches through carriers by land, sea, water and air, warehousemen, wharfingers, barge owners, and forwarding agents, property managers, brokers, general merchants and construct buildings for sale and rent or both on instalments or otherwise, electrical engineers, electricians, contractors, manufacturers, contractors, suppliers of or any dealers in electric and other appliances, electric motors fans, furniture, household appliances, batteries, cables, wires, lines, drycells, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purpose of light, heat, motice power, and for all other purposes for which and deal in all apparatus and thing required for or capable of being used in connection with generation, distribution, supply accumulation, and employment of electricity.
46. To assemble, erect and service induction and electronic heating Furnace, electrical and engineering components and spare parts and to carry on the business of manufacturers of pressed bowls, engineers in all branches, brass founders, metallurgists, smiths, and wood workers, blast furnace proprietors, repairs boiler makers, consulting engineers, japanners anneallers, enamellers, electric and chromium platters, polishers painters, alloy makers, metal platters, and wire weavers, buyers, sellers, repairers, hirer of or dealers in machinery and engineering products of all types, including bearing, speed reduction units, pumps, machine tools, and agricultural machinery any earth moving machinery including road roller, bulldozers, dumpers, scraper, loaders, shovals and draglines and light engineering goods such as cycles and sewing machines and their components, and as manufacturers, dealers, stockists, importers and exporters of engineering, drawing sets, hardware, steel ruler, measuring tapes, cutting tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools and instruments and apparatus, iron funders, dealers, stockists and importers and exporters of forgings, castings, stamping and treatment of all metals, machinery parts, moulds, press tools, jigs, fixtures, injections and compression, moulding, steel products, automobile parts and spare parts.
47. To carry on trade or business of manufacturing, assembling, buying, selling, reselling, exchanging, altering, importing, exporting hiring, letting on hire, distribution or dealing in railway carriages, wagons, buses, trucks, other vehicles and rolling stocks, ships, boats, barges, launches, submarines, air-ships, sea planes, flying boats, hydro planes and air-crafts and aerial conveyances of every description and kind for transport or conveyances of passengers, merchandise of goods of every description whether propelled of moved or assisted by means of petrol, spirit, electricity, steam, oil, vapour, gas, petroleum, or any other motive power.
48. To carry on the business of maker of scientific, industrial, agricultural implements and surgical instruments, mining and working of minerals, Ferro manganese, colliery proprietors, coke manufacturers, mailters, engineers and tin plate makers, all types of rubbers, leather, celluloid, Bakelite, plastic and all other chemicals, rubber and plastic goods particular industrial rolls, sheets, belting and consumer goods such as tyres, tubes, and other allied products, chappals, shoes, toys, medical and surgical goods.
49. To cultivate, grow, produce, treat, process, store or otherwise deal in any manner in tea, coffee, cinchona, rubber and to carry on the business of planters in all its branches, to carry on and do the business of cultivators, winners and buyers of every kind of vegetables, agriculture products and to carry on all or any of the business of farmers, dairymen, milk contractors, dairy farms, and vendors of milk and milk products, condensed milk and power milk,

cream, cheese, butter, poultry, fruits, vegetables, cash crops, and provisions of all kinds grover of and dealers in corn, hay and straw, seeds men and nurserymen, cold and other storage.

50. To carry on the business of stationers, printers, lithographers, stereotypes, electro-types photographic printers, photo lithographers, engravers, dye-sinkers, envelope manufacturers, book-binders, account book manufacturers, machine rulers, numerical printers, paper and bag and account book makers, box makers, photographers of and dealers in playing, visiting, railway, festive complimentary and fancy cards and valentines, dealers in stamps, agent for the payment of stamps, designers, draftsmen, ink manufacturers, pen and pencil manufacturers, book sellers publishers, magazines, journals, and newspapers and to act as agents in connection therewith.
51. To work as agents and contractors for railways, shipping and airways and road transport corporations, companies, or bodies and carriers by land, water and air, property and freight contractors, forwarding agents, clearing agents, ship chandlers, underwriters and insurance of ships, and to construct, build, operate, run or lease theatrical and opera box office, offices, and flats, cinema halls, and to work exhibitors, producers and distributors of films and motion pictures.
52. To carry on business as brewers, distillers, and manufactures of and merchants and dealers in vinegar, ice, acetic acid, glucose spirits, beer porter, salt, hops, grain, meal, yeast, aerated water heavy water and mineral water and carbonic acid, gas, mustard, spirit, aerated, mineral and artificial water and other drinks, merchants and purveyors bread, flour, ata, Maida, biscuits and farnacious compounds and materials of every description, sugar, gut, khandsari, sugar candy, chocolates and toffees.
53. To carry on the business as manufacturers of and dealers in radios, televisions sets, telephones, telecommunication and electronic equipment's, telephone equipment's, radar, computers, business machines and their components, including valves, transistors, condensers and coils, typewriters, calculating machines, computers, cleaners, sewing and printing machines, air-conditioning equipment, air-conditioners, refrigerators, coolers, ice-cream manufacturing machinery and to maintain air-conditioned godowns for storage of goods, steam and general laundry, and wash clean, purify, scour, bleach, wring, dry, iron, colour, dye, disinfect, renovate and prepare for use all articles of wearing apparel, household domestic and other cotton, silk and woollen fabrics and man-made fabrics, handicraft, ivory, painting products, novelty, curious and art work, and to carry on all or any of the business of contractors, architects, decorators, merchants and dealers in stone, sand, lime, bricks, cement, timber, hardware and other materials and act as house agents.
54. To carry on the business as purchase and sale of petroleum and petroleum products and to act as dealers and distributors for petroleum companies, to run service station for the repairs and servicing of automobiles and to manufacturer or deal in fuel oils, cutting oils and grease and to carry on the business or manufacturers, buyers, sellers, processors, importers, exporters of and dealers in all kind of medicines and medical preparations and drugs whatsoever and obtain patents for them, and soap, cosmetic, perfumes and toilet requisites.
55. To carry on the business as manufacturers as dealers in all kind of footwear and leather and plastic goods, boot, shoes, buckles, leggings, boot-polishes, accessories, fittings, goldsmiths, silversmiths, jewellers, gem merchants, all type of precious and semi-precious stones, watch and clock repairs, electroplaters, dressing bag makers, importers and exporters of bullion, buy, sell and deal (whole sell and retail) in bullion, precious, stones, jewellery, watches, clocks, gold, silver plates, caps, shields, electroplate, cutlery, dressing bags, articles of virtue and objects of art, bottles, jars, fibre boxes, corrugated containers, aluminium foils, or all types of wooden packing cases, wires, ropes, strips, conductors, cables, motors, fans, lamps, furnaces, batteries and accumulators, ply wood, hardwood, block, flooring and other purpose boxes, windows, doors, wood pulp, masts, spares, derricks, sleepers, tools handles, panelling wood work, furniture.
56. To carry on the business of tobacconists in all its branches and to sell, make and manufacture tobacco cigar, snuff and usually sold by tobacconists, timber and lumber merchants, lumber yard and saw mills proprietors, and to buy, sell, prepare for market, importer, exporter and deal in timber and wood of all kinds and to carry on the business of logging and lumbering, purchasing, acquiring and leasing, timber berths and to acquire or set up and runs hospitals, clinics, nursing homes, maternity, and family planning units or pathological laboratories and optician shops.
57. To carry on the business as manufacturers stockists, importers, exporters, repairers and dealers in all kind of vehicles, parts and accessories including dynamos, motors armatures, magnets batteries, conductors, insulators, transformers, converters, switch boards, chocks, engines, gun presses, insulating materials and electrical plant appliances, and to carry on the business of running motor lorries, motor taxis, motor mini buses and conveyances of all kinds and to transport passengers and goods and to do business of common carriers.
58. To carry on the business of manufacturers of or dealers in ferrous or nonferrous metals including aluminium, brass, tin, nickel and their products, glass products including sheet and plate glass, optical glass, laboratory ware, pulp and paper of all kinds, from card board, mill board, cartons containers, boxes and cases made of paper, boards, wood, glass, plastic, pulp (cellulose) films, polythene, rubber, metals, metal foils, gelatine, tin wall and ceiling paper, pacing carbons, newsprints, and photographic new films or other materials, tractors, automobiles, earth-moving

equipment's internal combustion engines, locomotives and compressors, and to procure, search, develop, invent and supply technical and other know-how, patents, inventions, model and design, require for manufacturing, processing, power, mining, agriculture, minerals, electrical, oil, dairy, poultry, Forestry finishing or any other units.

59. To carry on the profession of consultants of management, employment industrial and technical matters to industry and business and to act as employment agents, if permitted by law and to acquire and hold by way of investment or as dealers in share stock, debentures, debenture stocks, bonds, units, obligations or securities by original subscription, participation on syndicates, tender, purchase, exchange or otherwise and to subscribe for the same or to guarantee the subscription thereof and to exercise, enforce all right and powers conferred by or incidental to the ownership thereof; to work as property owners, estate agents and to acquire, hold, mortgage, or take on mortgage, take on lease, exchange or otherwise deal in lands and building hereditaments of any tenure or free hold, and to act as trustees, executors, administrators, attorneys, nominees, and agents and to undertake and execute trust of all kinds, and subject to compliance with any statutory condition, to exercise all the powers of custodian, trustees, and trust corporations.
60. To carry on the business of sheep rearing, animal rearing, honey collectors, and silk worm rearing, phosphorous, chemicals, agrochemicals, heavy chemicals, tennis, essences, paints, glues, gums, pigments, varnishes, compounds, mineral intermediates property articles of all kinds, laboratory re-agents, including any and all elementary substances and compounds thereof, bolts, nuts, nails, rivets, hinges, hooks and all other hardware items of all types and descriptions, all kinds of PVC and plastic products and goods, including PVC pipes, sheets, lining, conduit pipe and ancillary products, resins and high density polythene product, fertilizer, pesticide, insecticides used for agricultural and other farming work, cement and cement products of all types and description, and to erect, construct, establish, purchase, acquire on lease or on hire mills, factories, solvent extracting plant for processing of all agricultural products and for refining, manufacturing extracting of all kinds of oil (edible or non-edible), ghee, including from oil seeds, oil cakes, rice, bran and other oil containing medias, de-oiled cakes, de-oiled meals for consumption, balanced food and baby food.
61. To carry on the business as promoters, borrowers, hire purchase dealers, exchangers, investors, contractors, concessionaires, merchants and other agents and to carry on all kinds of business of investment and to undertake, carry on and execute all kinds of commercial and trading operations excluding the business of making within the meaning of the Banking Regulations Act, 1949; to undertake projects of rural and urban developments, growth, enlightenment, social upliftment and others as are approved under the Income-tax Act, 1961, and to make donations and contribution to institution and bodies as recognised under the Income Tax, Act, 1961 subject to the provisions of Section 182 and 181 of the Companies Act, 2013, and to purchase, take on lease, erect, construct, build, acquire on rent, licence, lease or sublease usufructuary, English or other processor, mortgage or in exchange or as a donor or in any other lawful manner whatsoever land, building, structure, open place, surface rights or other premises, construct, build, rebuild, improve, decorate, equip, maintain, furnish and to run manage, organise, supervise, stage plays, mobile and touring cinemas, other cinematographic burlesques, balls, pantomimes, spectacular, pieces, concerts, theatrical and musical performances, playgrounds, circuses and other entertainments.
62. To carry on the business of fabricators, consultants, advisers, contractors, erectors, assemblers, designers, importers, exporters, buyers, sellers, and/or otherwise dealers in all type of industrial, commercial, trading, architectural, agricultural, mechanical, electrical, chemical, mining, civil and branches of engineering lines and in, particular windows, doors, railings, industrial and other components, household articles, agricultural and horticultural equipment's.
63. To offer technical services and provided all assistance in planning, construction, erection and installation of appliances, apparatus, equipment's, plant and machinery, buildings related to any of the lines discussed in object above to act as mechanical, civil, electrical, structural, metallurgical, chemical, mining, margins and general engineers and to act as contractors for civil, mechanical, industrial or any type of construction work and also to manufacture, assemble, repair in earth work, water pipeline fittings and water tanks and to make all or any apparatus, goods and materials in connection therewith.
64. To carry on the business of farming, horticulture, floriculture, cultivator of all kinds of crops, grain, fodder, seeds, fruits, including grapes, oranges, apples, mangoes, proprietors of orchards and traders, exporters, dealers, preservers, processors and seller of the food grains, crops, sugar cane, fodder, animal feeds, edible oils, spinners, weavers, manufacturers, gingers, pressers, packers, balers, liners, cleaners, processors, doublers, cumbers, knitters, dyers, bleachers, calendars, sellers, buyers, importers, exporters, mercerises, distributors, barterers, shippers of all products and merchandise related to synthetics and textiles including cotton, linen, hemp, jute, silk, artificial silk, nylon, manmade synthetic fibres, stable synthetic yarn, wool hair, leather and any other fibrous material, engineering drawing sets, builders, hardware steel rules, measuring tapes, cutting tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools, instruments, apparatus and other machinery, plant, equipment, articles, appliances, their component, parts and accessories, glass and ceramics in trading as consultant and contractor for a part or turnkey project, production of solvent and oil plant, vegetable fat and other plant or tree seed oils.

65. To carry on business of an investment company and to invest in acquire, sell, transfer, subscribe for, hold and otherwise deal in any shares, bonds, stocks, obligations issued or guaranteed by any company or companies constituted and carrying on business in India and else ware and debenture-stocks, bonds, obligations and securities issued or guaranteed by any government, state, sovereign commissioners, central or provincial public body or authority supreme, municipal, local or otherwise whether in India or else ware and to promote, form or acquire any company and to take purchase or acquire shares or interest in any company and to transfer to and such company and any property of this Company either out of its own funds or out of funds if that it might borrow.
66. To purchase or otherwise acquire any land, building or premises and to turn into account, develop, improve, alter, demolish or let out for the purpose of carrying on the business of hotel, house hotel, guest-house, restaurant, coffee tavern, cinema, lodging, house-keepers, barkeepers, caterers for public amusement, of entertainment, proprietor of motor and other vehicles, garage, proprietors, refreshment room-keepers and ice merchants, lieced victuallers live and dead stock and hair-dressers, perfumers, chemists, proprietors of clubs, baths dressing rooms, museum, reading, writing and newspaper room, library, grounds for indoor and outdoor games, sports, recreation, exhibition, entertainment of all kinds, tobacco and cigar merchant, travel agents for railway, shipping airways and road transport corporations, companies or bodies and carriers and to carry on business of running boats, night clubs, swimming pools, bakery and confectionery and to undertake events works for the betterment and promotion of the cause of tourism.
67. To finance Industrial Enterprises whether by way of lease, hire purchase or otherwise and to act as investors, guarantors, underwriters, financiers and to deposits, lend or deal with the money either with or without interest or security, including in current or deposit account with any bank or banks other persons upon terms and conditions as the Company may approve. Provided that the Company shall not do any banking business as defined under the Banking regulation Act, 1949.
68. To carry on the business of manufacturers of pressed bowels, engineers in all branches, brass founders, metallurgists, smiths and wood workers, blast furnace proprietors, repairers, boiler makers, consulting engineers, japanners, anneallers, electric and chromium platters, polishers, painters, alloy makers, metal platters, and wire weavers, buyers, sellers, repairers, hirer of or dealers in machinery and engineering products of all types, including bearing, speed reduction nuts, pumps, machine tools, and agricultural machinery and earthmoving machinery including road roller, bulldozers, dumpers, scrapers, loaders, shovels and drug lines and light engineering goods such as cycles and sewing machines and their components to carry on and as manufacturers, dealers, stockist, importers and exporters of engineering, drawing sets, hardware, iron & steel, ruler, measuring tapes, cutting tools, precision measuring tools, machine tools, garage tools, hardware tools and instruments and apparatus, iron founders, dealers, stockists and importers and exporters of forgings, castings, Stamping and treatment of all metals, machinery parts, moulds, press tools, jigs, fixtures, injUNCTIONS and compression moulding, steel products, automobile parts and spare parts.
69. To construct, purchase, sale let out, develop, promote or otherwise acquire, purchase, on auction, or hire, buildings, houses, bungalows, factories, trade, premises, public buildings, hotels, lands, farms or any other kind of assets, estates or property and to carry on business of hire purchase of property and machinery.
70. To undertake Corporate Social Responsibility ("CSR") activities in terms of the provision of the Companies Act, 2013 and Rules made there under or in such other manner as the Company may deem fit.

IV. The liability of members in limited.

V: "The Authorised Share Capital of the Company is Rs. 78,59,00,000 (Rupees Seventy Eight Crore Fifty Nine Lacs Only) comprising of Rs. 53,59,00,000 (Rupees Fifty Three Crore Fifty Nine Lacs Only) divided into 5,35,90,000 (Five Crore Thirty Five Lacs Ninety Thousand) equity Shares of Rs.10/- (Rupees Ten Only) each and Rs. 25,00,00,000 (Rupees Twenty Five Crore Only) divided into 2,50,00,000 (Two Crore Fifty Lacs) 6% Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten Only) each, the shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or any other special rights, privileges, conditions or restrictions." *

* The Clause – V of the Memorandum of Association of the Company was altered and substituted by passing Special Resolution at 39th Annual General Meeting of the Company held on 10th September, 2025.

We the several persons whose name and addresses are subscribed hereto are desirous of being formed into a Company, in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

Names, Addresses, Descriptions and Numbers of Signature & Name, Address, Occupations of Subscribers	Equity Shares Description & Occupation of taken by Each Witness	Signature & Name, Address Description & Occupation of Witness
1. Mr. SANJAY VAKTA S/o. Pravin Vakta 25, Saurashtra Vishvakarma Society Manek Baug, Ahmedabad-380015. Occupation : Service	(1 One)	
2. Mr. KUNJ BEHARI AGRAWAL S/o. Prahaladrai Agrawal Krishna Mansion, Kalupur Ghee Bazar, Ahmedabad-380 002. Occupation : Business	(1 One)	Common Witness to all
3. MUKESHKUMAR SHARMA S/o. Chandi Prasad Shirma 2, Nal Kunj Society, Civil Road, Ahmedabad. Occupation : Service	(1 One)	SUKUMAR MAHNOT S/o. Shri Ganapat Singh Mahnot 91, Hirabhai Market Ahmedabad-380 022.
4. KANUBHAI R. PATEL S/o. Ravjibhai Patel B/34, Surjit Society, T.B. Road, Bapunagar, Ahmedabad. Occupation : Service	(1 One)	Chartered Accountant
5. NARESH SHAH S/o. Kantilal Shah 18/3, Chandraprakash Society, Near Old Pilot Dairy Kankaria, Ahmedabad Occupation : Business	(1 One)	
6. UTTAM R. BHANDARI S/o. Rawat Chand Bhandari 546, New Cloth Market, Ahmedabad : 380002	(1 One)	
7. PRAKASH M. DHARWAL S/o. Mehtab Chand Dhariwal J-7, Payal Flats, Jodhpur Char Rasta, Ahmedabad. Occupation : Business	(1 One)	
TOTAL	(7 Seven)	

Place : Ahmedabad

Dated the 22nd day of October, 1986

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION
OF
ELECTROTHERM (INDIA) LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the annual general meeting of the Company held on 30th September, 2014 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

TABLE 'F' EXCLUDED

Table "F" not to apply

1. (1) The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

Company to be governed by these Articles

- (2) The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

INTERPRETATION

Headings authoritative

2. The headings used in these Articles shall not affect the construction hereof.

Interpretation Clause

2. (1) (a) In these interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context -

"The Act"

"The Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

"Articles"

"Articles" means these articles of association of the Company or as altered from time to time.

"Alter and Alteration"

"Alter" and "Alteration" shall include the making of additions and omissions and substitution.

Annual General Meeting

"Annual General Meeting" means a general meeting of the members held in accordance with the provision of section 96 of the Companies Act, 2013 and adjournment holding thereof

Auditors

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

"Authorised Capital or Nominal Capital"

"Authorised Capital" or "Nominal Capital" means that such capital as is authorised by the memorandum of a company to be maximum amount of share capital of the Company.

"Board of Directors or "Board"

"Board of Directors" or "Board", means the collective body of the directors of the Company.

"Beneficial Owner

"Beneficial owner" means a person as defined by section 2(1)(a) of the Depository Act, 1996.

"Body corporate or "corporation"

"Body corporate" or corporation includes a company incorporated outside India, but does not include-

- (i) a co-operative society registered under any law relating to co-operative societies; and
- (ii) Any other body corporate (not being a company as defined in this Act) which the central government may by notification, specify in this behalf;

"Bye-laws"

"Bye laws" means Bye-laws as defined under section 26 of Depository Act, 1996.

"Company"

"Company" means ELECTROTHERM (INDIA) LIMITED

"Company Secretary" or "Secretary"

"Company Secretary" or "Secretary" means a company secretary as defined in clause '(c) of sub section (1) of section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by the Company to perform the function of a company secretary under this Act.

"Depository Act, 1996"

"Depository Act, 1996" means Depository Act, 1996 and includes any statutory modification or re-enactment thereof the time being in force.

"Deposit"

"Deposit" includes any receipt of money by way of deposit or loan or in any other form by a company but does not include such categories of amount as may be prescribed in consultation with the Reserve Bank of India.

"Depository"

"Depository" means includes a company as defined under section 2(1)(e) of the depositories Act, 1996.

"Directors"

"Directors" means a Directors appointed to the Board of a company.

"Dividend"

"Dividend" includes interim dividend.

"Document"

"Document" includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

"Extra Ordinary General Meeting"

"Extra Ordinary General Meeting" means general meeting of the members other than Annual General Meeting duly called and constituted and any adjourned holding thereof.

"Issued Capital"

"Issued Capital" means such capital as the company issues from time to time for subscription;

"Independent director"

"Independent director" means an independent director referred to in sub-section (5) of section 149 of the Companies Act, 2013.

"Managing Director"

"Managing Director" means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting or by its Board of directors, is entrusted with substantial power of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

"Member"

"Member", in relation to a company, means -

- (i) The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
- (ii) Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;
- (iii) Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

"Memorandum"

"Memorandum" means the memorandum of association of a company as originally framed or as altered from time to time in pursuance of any previous company law or of this Act.

"Ordinary or Special resolution"

"Ordinary or Special resolution" means an ordinary resolution or as case may special resolution referred to in section 114 of the Act.

"Paid-up Share Capital" or "Share Capital"

"Paid-up Share Capital" or "Share Capital Paid-Up" means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;

"Postal Ballot"

"Postal Ballot" means voting by post or through any electronic mode;

"Public Holiday"

"Public Holiday" means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.

"Register of Companies"

"Register of companies" means the register of companies maintained by the Registrar on paper or in any electronic mode under this Act;

"Registrar"

"Registrar" means a Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar or an Assistant Registrar, having the duty of registering companies and discharging various functions under this Act;

"Regulations"

"Regulations" means made by SEBI.

"Rules"

"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

"Seal"

"Seal" means the Common Seal of the Company.

"SEBI"

"SEBI" means Securities and Exchange Board of India.

"Securities"

"Security" means the securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).

"Share"

"Share" means a share in the share capital of a company and includes stock.

"These Presents"

"These Presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time by Special Resolution.

"Variation" and "Vary"

"Variation"- shall include abrogation and "Vary" shall include abrogate.

"Written" and "In writing"

"Written" and "In writing" include printing, lithography and any other mode or modes or reproducing words in a visible form or partly one and partly the other.

"Whole Time Director"

"Whole Time Director" includes a director in the whole-time employment of the Company.

"Year" and "Financial Year"

"Year" means a calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

Expression in the Articles to bear the same meaning as in the Act

(b) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

"Number" and "Gender"

(2) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Expressions in the Articles to bear the same meaning as in the Act

(3) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

Copies of Memorandum and Articles to be furnished by the Company

3. Pursuant to Section 17 of the Act, the Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a prescribed fee, a copy of each of the following documents, as in force for the time being

- (i) the Memorandum;
- (ii) the Articles, if any;
- (iii) every other agreement and every resolution referred to in sub-section (1) of Section 117, of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

Company's funds may not be applied in purchase of or lent for shares of the Company

4. (i) The Company shall not have power to buy its own shares, otherwise than the manner allowed under section 68 of the Act, and unless the consequent reduction of capital is effected under the provisions of this Act
- (ii) The Company shall not give whether directly or indirectly and whether by means of a Loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company.

- (iii) Nothing in this clause shall be taken to prohibit:
 - (a) the provision by the Company of money, in accordance with any scheme approved by the company through special resolution and in accordance with such requirements as may be prescribed, for the purchase of, or subscription for fully paid-up shares in the Company or its holding company, if the purchase of or the subscription for, the shares held by trustees for the benefit of the employees or such shares held by the employee of the Company.
 - (b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership,
 - (c) Nothing in this Article shall affect the right of the Company to redeem any preference shares issued by it under this Act or under any previous company law.

SHARE CAPITAL AND VARIATION OF RIGHTS

Shares under control of Board

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

Directors may allot shares otherwise than for cash

6. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

Authorised share Capital

7. The authorised Share Capital of the Company shall be as per paragraph V of the Memorandum of Association of the Company with rights to alter the same in whatever way as deemed fit by the Company.

Kinds of Share Capital

8. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
- (a) Equity share capital:
 - (i) with voting rights; and / or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
 - (b) Preference share capital

Application of premium received on issue of shares

9. (a) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account to be called "securities premium account" and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid-up share capital of the Company.
- (b) The securities premium account may, notwithstanding, anything in clause (a) above, be applied by the Company.
- (i) in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
 - (ii) in writing off the preliminary expenses of the Company;
 - (iii) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares of the Company; or
 - (iv) in providing for the premium payable on the redemption of any redeemable preference shares of the Company.
 - (v) for purchase of its own shares or other securities under section 68 of the Act.

Issue of certificate

10. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide -
- (a) One certificate for all his shares without payment of any charges; or
 - (b) Several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

Shares to be numbered progressively and no shares to be subdivided

- (2) The shares in the Capital shall be numbered progressively according to the several denominations and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. Shares at the disposal of the Directors

Certificate to bear seal

- (3) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

One certificate for shares held jointly

- (4) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders

Option to receive share certificate or hold shares with depository

11. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

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

12. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.

Power to pay commission in connection with securities issued

13. (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

Rate of commission in accordance with Rules

- (2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

Mode of payment of commission

- (3) 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 members' rights

14. (1) 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 the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

Provisions as to general meetings to apply mutatis mutandis to each meeting

- (2) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

Issue of further shares not to affect rights of existing members

15. 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

16. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

- (a) The Company has the power to issue Partially Convertible Partially Redeemable Preference Shares/ Debentures including participating preference shares which are eligible to be converted fully or partially into equity shares of the Company in the manner permissible under the Act and the directors may, subject to the provisions of the Act, exercise such powers in any manner as they may think fit and provide for the conversion of such preference shares on such terms including the right to convert at premium or at discount as they may think fit and balance continued to be Non-Convertible Redeemable Preference Shares."

Provision in case of Redemption of preference Shares

17. The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding, by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in the case of redemption of part of the preference shares the following provisions shall take effect :

- (a) The shares to be redeemed shall be determined by drawing of lots which the Company shall cause to be made at its registered office in the presence of one Director at least; and
- (b) Forthwith after every such drawing, the Company shall notify the shareholders whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company at the time and on the date to be named against surrender of the Certificates in respect of the shares to be so redeemed and at the time and date so notified each such shareholder shall be bound to surrender to the Company the Share Certificates in respect of the Shares to be redeemed and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The shares to be redeemed shall cease to carry dividend from the date named for payment as aforesaid. Where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.

Power to Issue Sweat Equity Shares

18. The Board shall have a power to issue sweat equity shares in manner and subject to conditions contained in section 54 of the Act,

Further issue of share capital

19. The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to -
- (a) persons 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 of any other person; or
 - (b) employees under any scheme of employees' stock option; or
 - (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

Mode of further issue of shares

20. 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.

LIEN

Company's lien on shares

21. (1) 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 member, for all monies presently payable by him or his estate to the Company:
Provided that the Board 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.

- (2) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

Waiver of lien in case of registration

- (3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

As to enforcing lien by sale

22. 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 to the person entitled thereto by reason of his death or insolvency or otherwise.

Validity of sale

23. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

Purchaser to be registered holder

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

Validity of Company's receipt

- 24 (1) The receipt of the Company for the consideration (if any) given for the share 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 share and the purchaser shall be registered as the holder of the share.

Purchaser not affected

- (2) 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 with reference to the sale.

Application of proceeds of sale

25. (1) 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

(2) 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 affect Company's lien

26. 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 recognise 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.

CALLS ON SHARES**Board may make calls**

27. (1) 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.

Notice of call

(2) 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

(3) 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

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

Call to take effect from date of resolution

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

Liability of joint holders of shares

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

When interest on call or instalment payable

30. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.

Board may waive interest

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

Sums deemed to be calls

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

Effect of non-payment of sums

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

Payment in anticipation of calls may carry interest

32. 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 as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

Instalments on shares to be duly paid

33. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment 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

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

Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

Partial payment not to preclude forfeiture

35. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction 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 any shares either by way of principal or interest nor any indulgence granted by the Company 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**

36. (1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
(2) 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.

Board may refuse to register transfer

37. The Board may, subject to the right of appeal conferred by the Act decline 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

38. In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless -
(a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
(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.

Transfer of shares when suspended

39. On giving of previous notice of at least seven days or such lesser period in accordance with the Act 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.

DEMATERIALIZATIONS/DEMATERIALIZATIONS

40. [a] 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 Depository Act, 1996.

Securities in Depository to be in fungible form

- [b] All securities of the Company held by the Depository shall be dematerialised and be in fungible form.

Rights of Depositories and Beneficial Owners

- [c] (i) Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.
(ii) Save as otherwise provided in (i) 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.
(iii) Every person holding Securities of the Company and whose name is entered as the beneficial owner in the record 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

- [d] Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.

Transfer of Securities

- [e] Nothing contained in Section 56 of the Act, shall apply to a transfer of Securities effect by a transferor and transferee both of whom are entered as beneficial owners in the record of a depository.

Allotment of Securities dealt with in a depository

- [f] Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

Applicability of the depositories Act

- [g] In case of transfer of shares and other marketable securities, where the Company has not issued any certificate and where such shares or securities are being held in an electronic and fungible form with a Depository, the provisions of the Depositories Act, 1996 shall apply.

Transfer books and Register of members when closed

41. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate, to close the Transfer books, the Register of members at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year.

Transfer to Minors etc.

42. Only fully paid shares shall be transferred to a minor acting through his/her legal or natural guardian. Under no circumstances, shares be transferred to any insolvent or a person of unsound mind.

TRANSMISSION OF SHARES**Title to shares on death of a member**

43. (1) 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 recognised by the Company as having any title to his interest in the shares.

Estate of deceased member liable

- (2) Nothing in clause (1) 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.

Nominations

- 44 (i) Every holder of securities of a Company, may at any time, nominate in the prescribed manner, any person to whom his Securities shall vest in the event of his death in such manner as may be prescribed under the Act, and shall have all powers vested under Section 72 of the Act.
- (ii) Where the Securities of a Company are held by more than one person jointly, the joint holders may together nominate in the prescribed manner, a person to whom all the rights in the securities shall vest in the event of, death of all the joint holders.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities of the company, the nominee shall, on the death of the holder of securities, as the case may be on the death of the joint holders become entitled to all the rights in the securities, of the holder or as the case may be, of all the joint holders, in relation to such securities to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (iv) Where the nominee is a minor, it shall be lawful for the holder of the Securities, making the nomination to appoint, in the prescribed manner, any person to become entitled to the securities of the company, in the event of the death of the nominee during the minority.

Refusal to register nominee

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

No fee on transmission

46. No fee shall be charged for registration of transmission, Probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

Transmission Clause

47. (1) 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

- (2) 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

- (3) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

Right to election of holder of share

48. (1) 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

- (2) 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

- (3) 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

49. 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.

FORFEITURE OF SHARES**If call or instalment not paid notice must be given**

50. If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

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.

Receipt of part amount or grant of indulgence not to affect forfeiture

53. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

Entry of forfeiture in register of members

54. 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

55. 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.

56. (1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.

Cancellation of Forfeiture

- (2) At any time before a sale, re-allotment 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 the time of forfeiture

57. (1) 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, and shall 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.

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

- (2) 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 payment or realisation. 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.

Cesser of liability

- (3) 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

58. (1) 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

(2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment 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

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

Transferee not affected

(4) 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, re-allotment or disposal of the share.

Validity of sales

59. 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

60. 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 shall 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 certificates

61. The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering those on such terms as they think fit.

Sums deemed to be calls

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

ALTERATION OF CAPITAL**Power to alter share capital**

63. Subject to the provisions of the Act, the Company may, by ordinary resolution -

- Increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;
- Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- 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

64. Where shares are converted into stock:

- the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles 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;
- 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;

Right of Stockholders

(c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock-holder" respectively.

Reduction of capital

65. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, -
- (a) its share capital and/or
 - (b) any capital redemption reserve account; and/or
 - (c) any securities premium account; and/or
 - (d) any other reserve in the nature of share capital.

JOINT HOLDERS

Joint-holders

66. (a) Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

Transfer by joint holder

- (b) In the case of a transfer of shares held by joint holders, the transfer will be effective only if it is made by all the joint holders.

Liability of Joint-holders

- (c) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.

Death of one or more joint-holders

- (d) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

Receipt of one sufficient

- (e) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.

Delivery of certificate and giving of notice to first named holder

- (f) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

Vote of joint-holders

- (g) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such 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 or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.

Executors or administrators as joint holders

- (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.

CAPITALISATION OF PROFITS

Capitalisation

67. (1) The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve -
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Sum how applied

- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, 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 or other securities 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).
- (3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

Powers of the Board for capitalisation

68. (1) whenever such a resolution as aforesaid shall have been passed, the Board shall -

- (a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
- (b) generally do all acts and things required to give effect thereto.

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

69 (1) The Board shall have power-

- (a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

Agreement binding on members

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

BUY-BACK OF SHARES

Buy-back of shares

70. Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

GENERAL MEETINGS

Annual General Meeting

71. (a) Subject to the provisions contained in Sections 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the Notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that if the Registrar for any special reason, extends the three months' time within which annual general meeting shall be held, then such annual general meeting may be held within such extended period.

(b) Time and place of Annual General Meeting

Every annual general meeting shall be called at any time during business hours, that is between 9 a.m. to 6 p.m. on any day that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the company is situated.

Provided that the Central Government may exempt any company from the provisions of this section subject to such conditions as it may impose.

Notice of meeting

72. (a) A general meeting of the Company may be called by giving not less than twenty one days' notice in writing or through electronic mode

(b) A general meeting of the Company may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

(c) The notice of every meeting of the Company shall be given to (i) to every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;

(b) auditor(c) every director of the Company.

Statement to be annexed to notice

73 (1) A statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting namely:-

(a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of -

(i) every director and the manager, if any,

(ii) every other key managerial personnel; and

(iii) relatives of the persons mentioned in sub-clause(i) and (ii)

(iv) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

For the purpose of this article:

- (i) in the case of an annual general meeting, all business to be transacted at the meeting shall be deemed special other than
 - (a) the consideration of financial statements and the reports of the Board of Directors and auditors.
 - (b) the declaration of any dividend;
 - (c) the appointment of Directors in the place of those retiring, and
 - (d) the appoint of and the fixing of the remuneration of the auditors, and
- (ii) in the case of any other meetings, all business shall be deemed special.
Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates, to or affects, any other company, the extent of shareholding interest in that other Company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid-up share capital of the company; also be set out in the statement.
Where any item of business consists of the according of approval to any document by the meeting, the time and place where the documents can be inspected shall be specified in the statement aforesaid.

Extraordinary general meeting

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

Powers of Board to call extraordinary general meeting

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

PROCEEDINGS AT GENERAL MEETINGS

Presence of Quorum

76. (1) 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.

If quorum not present meeting to be dissolved or adjourned

- (2) (i) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon by requisition of members, shall stand cancelled.
- (ii) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place, as the Board may determine.

Business confined to election of Chairperson whilst chair vacant

- (3) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.

Quorum for general meeting

- (4) The quorum for a general meeting shall be as provided in the Act.

Chairperson of the meetings

77. The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.

Directors to elect a Chairperson

78. 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.

Members to elect a Chairperson

79. 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, by poll or electronically, choose one of their members to be Chairperson of the meeting.

Casting vote of Chairperson at general meeting

80. 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 meetings and resolutions passed by postal ballot

81. (1) 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 Minutes

- (2) 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 interests of the Company.

Discretion of Chairperson in relation to Minutes

- (3) 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

- (4) 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

82. (1) 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 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.

Members may obtain copy of minutes

- (2) 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 any minutes referred to in clause (1) above:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

Powers to arrange security at meetings

83. The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

Presumptions to be drawn where minutes duly drawn and signed

84. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the Act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

Representation of Body Corporate

85. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor of the Company may in accordance with the provisions of Section 113 of the Act authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Circulation of member's resolution

86. The Company shall comply with provision of section 111 of the Act, relating to circulation of member's resolution.

ADJOURNMENT OF MEETING**Chairperson may adjourn the meeting**

87. (1) The Chairperson may, suo motu, adjourn the meeting from time to time and from place to place.

Business at adjourned meeting

- (2) 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

- (3) 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

- (4) Save as aforesaid, and save as provided in 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**

88. Subject to any rights or restrictions for the time being attached to any class or classes of shares -
- (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

Voting through electronic means

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

Vote of joint holders

90. (1) 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.

Seniority of names

(2) 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

91. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

Votes in respect of shares of deceased or insolvent members, etc.

92. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Demand for poll

93. (a) Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be 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 members present in person or by proxy where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid-up

(b) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking poll

94. (a) A poll demanded on a question of adjournment of the meeting or appointment of chairman shall be taken forthwith.

(b) A poll demanded on any other question shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman of the meeting may direct.

Right of a member to use his votes differently

95. On a poll taken at a meeting, a member entitled to more than one vote, or his proxy, where allowed or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or case in the same way all the votes he uses.

Scrutinizers' at poll

96. (a) Where a poll is to be taken, the Chairman of the meeting shall appoint such number of person as he deems necessary, to scrutinize the poll process and votes given on the poll and to report thereon to him.

(b) The Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken.

Manner of taking poll and result thereof

97. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Business may proceed pending poll

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

Restriction on voting rights

99. 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 or in regard to which the Company has exercised any right of lien.

Restriction on exercise of voting rights in other cases to be void

100. A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.

Equal rights of members

101. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Resolution requiring special notice

102. The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.

Registration of resolutions and agreements

103. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

Postal Ballot

104. The Company may and in the case of resolutions relating to such business as the Central Government may, by notification and rules made, declare to be conducted only by postal ballot, shall get any resolution passed by means of postal ballot, instead of transacting the business in General Meeting of the Company. Where the Company requires to, or decides to, as the case may be, get a resolution passed by means of a postal ballot, the provisions of Section 110 of the Act shall be complied with.

PROXY

Member may vote in person or otherwise

105. (1) 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

- (2) The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Form of proxy

106. An instrument appointing a proxy shall be in the form as prescribed in the Rules.

Proxy to be valid not withstanding death of the principal

107. 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.
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

108. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 16 (Sixteen).

Directors not liable to retire by rotation

109. (1) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. *

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

- (2) The same individual may, at the same time be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the company.

Right of persons other than retiring Directors to stand for Directorship

110. (a) A person who is not a retiring Director shall, in accordance with Section 160 of the Act and subject to the provisions of tire Act, be eligible for appointment to the office of Director at any general meeting if he or some member or members intending to propose him has, not less than fourteen days before the meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of director or the, intention of such member or members to propose him as a candidate for that office, as the case may be along with a deposit of such sum as may be prescribed by the Act, or the central government from time to time which shall 'be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.
- (b) The Company shall inform its members of the candidature of a person of the office of director or the intention of a member(s) to propose a person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting or put in website in the manner provided under Section 160 of the Act.

Eligibility for appointment of Director

111. A person shall not be capable of being appointed as a Director if he has the disqualification referred to in section 164 of the Act.

Remuneration of directors

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

Remuneration to require members' consent

- (2) 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 or Special Resolution passed by the Company in general meeting.

* The Article 109 of the Articles of Association of the Company was altered and substituted by passing of Special Resolution at 39th Annual General Meeting of the Company held on 10th September, 2025.

Increase in remuneration of Directors

- (3) Any provision relating to the remuneration of any Director including a Managing or Joint Managing or Whole-time Director or any amendment thereof, which purports to increase or has the effect of increasing, whether directly or indirectly, the amount thereof, whether that provision is contained in the Company's Memorandum or its Articles, or in an agreement entered into by it, or and resolution, passed by the Company in general meeting or by the Board of Directors, shall require the approval of the Central Government unless it is in accordance with Sections 196, 197, Schedule V and other applicable provisions of the Act and their amendment from time to time.

Travelling and other expenses

- (4) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them -
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
 - (b) in connection with the business of the Company.

Execution of negotiable instruments

113. 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.

Appointment of additional directors

114. (1) Subject to the provisions of the Act, 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 office of additional director

- (2) 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

115. (1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "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

- (2) 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

- (3) If the term of office of the Original Director is determined before the returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

Appointment of director to fill a casual vacancy

116. (1) 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 vacancy

- (2) The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

Appointment of Chairman

117. The directors may from time to time elect among themselves a chairman of the Board and determine the period for which he is to hold office if at any meeting of the Board, the chairman is not present within fifteen minutes after the time appointed for holding the same, the directors present may choose one of their members to be chairman of the meeting.

Cessation of director

118. The Person shall cease to be a Director of the Company on the happening of any event specified in Sections 167 of the Act.

Loans to Directors

119. The Company shall observe the restrictions imposed on the Company in regard to granting of loans to Directors and other persons as provided in Section 185 and other applicable provisions, if any of the Act.

Removal of Directors

120. (a) The Company may by ordinary resolution remove a director not being a director appointed by the Tribunal under section 242, before the expiry of his period of office after reasonable opportunity of being heard. Provided that nothing contains in this subsection shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two-thirds of the total number of directors according to the principal of proportional representation.
- (b) Special notice as provided by Section 115 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (d) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given under article (2).
- (e) If the vacancy is not filled under clause (d), it may be filled as a casual vacancy in accordance with the provisions of this Act;
Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
- (f) Nothing contained in this Article shall be taken:
- (i) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or
 - (ii) as derogating from any power to remove a Director which may exist apart from this Article.

POWERS OF BOARD

General Powers of the Company vested in Board

121. 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 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.

MANAGING DIRECTORS

Power to appoint Managing or Whole-time Directors

122. (a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Whole-time Directors and/or Special Director like Technical Director, Financial Director, etc. of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/ Whole-time Director(s), Technical Director(s) Financial Director(s) and Special Director(s) such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions <and subject to such restrictions as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.
- (b) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Directors" as the case may be.

PROCEEDINGS OF THE BOARD

When meeting to be convened

123. (1) 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

- (2) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.

Quorum for Board meetings

- (3) (a) The quorum for a Board meeting shall be as provided by section 174 in the Act.

Quorum competent to exercise power

- (b) 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 discretion by or under the regulations or the Article of the Company for the time being vested in or exercisable, by the Directors generally.

Procedure in case of want of quorum

- (c) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a Public Holiday, till the next succeeding day which is not a public holiday, at the same time and place.

Meeting of Directors

- (4) The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meetings of the Board, which had been called in compliance with the terms herein mentioned could not be held for want of quorum.

Participation at Board meetings

- (5) 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.

Directors entitled to notice

124. Notice of every meeting of the Board of the Company.

Questions at Board meeting how decided

125. (1) 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

- (2) 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

126. 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

127. (1) The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

Directors to elect a Chairperson

- (2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen 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 Powers

128. (1) 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

- (2) 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

- (3) 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 be prescribed by the Rules or permitted under law.

Chairperson of Committee

129. (1) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

Who to preside at meetings of Committee

- (2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen 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

130. (1) A Committee may meet and adjourn as it thinks fit.

Questions at Committee meeting how decided

- (2) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.

Casting vote of Chairperson at Committee meeting

- (3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

Acts of Board or Committee valid notwithstanding defect of appointment

131. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

Passing of resolution by circulation

132. Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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 AND CHIEF FINANCIAL OFFICER

Chief Executive Officer etc.

133. (a) Subject to the provisions of the Act,-
A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

Director may be chief executive officer, etc.

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

REGISTERS

Statutory registers

134. (a) The Company shall keep and maintain at its registered office or its RTA office all statutory registers namely, register of charges, register of members, register of any other security holders, Register of directors MD and KMPs, register of transfer, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements and Books and Documents required by the Companies Act, 2013 and the rules made there under (including statutory modification or re-enactment thereof) to the extent applicable to the Company from time to time and for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

Foreign register

- (1) The Company may exercise the powers conferred on it by the Act with regard 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.
- (2) 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

The seal, its custody and use affixation of seal

135. (1) The Board shall provide for the safe custody of the seal.
- (2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the and rules made there under from time to time (including any statutory modification or re-enactment thereof) secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

DIVIDENDS AND RESERVE

Dividend payable to registered holder

136. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.

Time for payment of dividend

137. Where a dividend has been declared by the Company it shall be paid within the period provided in Section 127 of the Act.

Company in general meeting may declare dividends

138. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

Interim dividends

139. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

Dividends only to be paid out of profits

140. (1) 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 applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

Carry forward of profits

(2) 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

141. (1) 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.

Payments in advance

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

Dividends to be apportioned

(3) 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 and Company's right to reimbursement there from

142. (1) 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.

Retention of dividends

(2) 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.

Transferred shares must be registered

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

Dividend how remitted

144. (1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.

Instrument of payment

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

Discharge to Company

(3) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

Receipt of one holder sufficient

145. 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.

No interest on dividends

146. No dividend shall bear interest against the Company.

Waiver of dividends

147. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

Unpaid Dividend or Dividend Warrant posted

148. (a) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend Account of Electrotherm (India) Limited" and transfer to the said account, the total amount of dividend which remains unpaid.

Investor Education and Protection Fund

- (b) The Company shall credit to the Investor Education and Protection Fund established by the Central Government, the amounts in the unpaid dividend account, the application money received by the Company for allotment of any securities and due for refund, matured deposits with Companies, and the interest accrued on the amounts referred above.
Provided that no amounts in the unpaid Dividend Account, the application money received by the Company for allotment of any securities and due for refund, matured deposits with Companies shall form part of the Fund unless such amounts have remained unclaimed and unpaid for a period of seven (7) years from the date they became due for payment.
- (c) No unpaid or unclaimed dividend shall be forfeited by the Board.

ACCOUNTS**Books of Accounts, etc to be kept by the Company**

149. (a) The Company shall prepare and keep at its Registered Office books of accounts and other relevant books and papers and financial statement for every financial year as required by Section 128 of the Act including its branch offices or offices and such books shall be kept on accrual basis and according to the double entry system of accounting.
Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.
- (b) If the Company has a branch office, whether in or outside India, proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at the registered office or the other place as mentioned above.

Books to give fair and true view of the Company's affairs

150. (a) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office, as the case may be with respect to the matters aforesaid, and explain the transactions.
- (b) The books of account shall be open to inspection by any Director during business hours as provided by Section 128 of the Act.
- (c) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of accounts shall be preserved in good order.

Inspection by Directors

151. (1) The Books of account and books and papers of the company or any of them, shall be open to inspection of directors in accordance with the applicable provisions of the Act and the rules.

Restriction on inspection by members

- (2) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the company except as conferred by law or authorised by the Board.

Statements of Accounts to be furnished to General Meeting

152. The Board of Directors shall lay before each annual general meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date, which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.

Balance Sheet and Profit and Loss Account

153. (a) Subject to the provisions of Section 129 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in Schedule III of the Act, or as near thereto as circumstances admit. There shall be annexed to every Balance Sheet a statement showing the bodies corporate (indicating separately the bodies corporate in the same group) in the shares of which investments have been made by it (including all investments, whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate.

- (b) So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.
- (c) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

Authentication of Balance Sheet and Profit & Loss Account

154. (a) (i) Save as provided by item
- (ii) of this sub-clause every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Chief Financial Officer and Secretary, if any, and by not less than two Directors of the Company, one of whom shall be a Managing Director and the Chief Executive Officer, if he is director in the Company.
- (b) The Balance Sheet, and the Profit and Loss Account, shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditors for their report thereon.

Profit and Loss Account to be annexed and Auditors' Report to be attached to the Balance Sheet

155. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors' Report including the Auditors' separate, special or supplementary report, if any, shall be attached thereto.

Board's Report to be attached to Balance Sheet

156. (a) Every Balance Sheet laid before the Company in general meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs; the amounts, if any which it proposes to carry to any reserves in such Balance Sheet, the amount, if any, which it recommends to be paid by way of dividends and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet and items as specified in the act and the date of the Report.
- (b) The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business in which the Company has an interest.
- (c) The Board shall also give the fullest information and explanations in its Report or in cases falling on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (d) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (c) of this Article are complied with.
- (e) Every Balance Sheet and Profit and Loss Account of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards any matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by shareholders at a subsequent general meeting.

Right of Members for copies of Balance Sheet and Auditor's Report

157. A copy of every Balance Sheet (including the Profit and Loss Account, the Auditor's Report and every other document required by Law to be annexed or attached as the case may be, to the Balance Sheet) which is to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of twenty one days before of the meeting.

AUDIT

Accounts to be audited

158. Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

Auditor to have access to the books of the Company

159. (a) The Auditor/s of the Company shall have a right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor/s.
- (b) All notice of, and other communications relating to, any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company; and the Auditor/s shall be entitled to attend any general meeting and to be heard at any general meeting which he attends to any part of the business which concerns him as Auditor.

- (c) The Auditors shall make a Report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in annual general meeting during his tenure of office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanation given to him, the accounts give the information required by the Act in the manner so required and give a true and fair view:
 - (i) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year: and
 - (ii) in the case of the Profit and Loss Account, of the Profit and Loss for that financial year.
- (d) The Auditor's Report shall also state:
 - (i) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
 - (ii) whether, in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those books and proper returns adequate for the purpose of his audit have been received from branches not visited by him;
 - (iii) Whether "The Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account and returns.
- (e) Where any of the matters referred to in this Article is answered in the negative or with a qualification the Auditor's Report shall state the reasons for the answer.

Remuneration of Auditors

160 The Remuneration of the Auditors shall be fixed by the Company in General Meeting in such manner as the Company in general meeting determine except that the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the Director.

Secrecy Clause

161. (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

WINDING UP

Winding up of Company

162. Subject to the applicable provisions of the Act and the Rules made there under -
- (a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
 - (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND INSURANCE

Directors and officers right to indemnity

163. (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager or officer or in any way in the discharge of his duties in such capacity including expenses.
- (b) Subject as aforesaid, every director, managing director, manager or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Insurance

164. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

GENERAL POWER**General power**

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

DOCUMENTS AND NOTICES**Service of notice/documents to member**

166. (a) A notice/documents may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by registered post or by speed post or by courier service or by leaving it at its Registered Office or by means of such electronic or other mode as may be prescribed.

Provided that where securities are held with depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode

Service of Notice/documents to Registrar

- (b) A notice/documents may be served on the Registrar by sending it in electronic mode or by post or by registered post, or by speed post or by courier or by delivering it at his office or address or by such electronic other mode as may be prescribed.

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

By Advertisement

- (c) A Notice advertised in a newspaper circulating in neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of Notices to him.

On Joint holder

- (d) Any Notice may be served by the Company on the Joint-holders of a Share by serving it on the joint holder named first in the Register of member in respect of the share.

On personal Representative

- (e) A Notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title representatives of the deceased or assignees of the insolvent or by any like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by serving the document in any manner in which it might have been served if the death or insolvency had not occurred.

Notice by Company and signatures thereto

- (f). Any Notice given by the Company shall be signed by a Director, or by such Officer as the Directors may appoint and the signatures thereto may be written printed or lithographed.

Authentication of documents and proceedings

- (g). Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by the Director, the Managing Director, the Manager, the Secretary or other authorised Officer of the Company and need not be under its Common Seal.

SOCIAL OBJECTIVE

167. The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilisation of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations, and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

Names, Addresses, Descriptions and Numbers of Signature & Name, Address, Occupations of Subscribers	Equity Shares Description & Occupation of taken by Each Witness	Signature & Name, Address Description & Occupation of Witness
1. Mr. SANJAY VAKTA S/o. Pravin Vakta 25, Saurashtra Vishvakarma Society Manek Baug, Ahmedabad-380015. Occupation : Service	(1 One)	
2. Mr. KUNJ BEHARI AGRAWAL S/o. Prahaladrai Agrawal Krishna Mansion, Kalupur Ghee Bazar, Ahmedabad-380 002. Occupation : Business	(1 One)	Common Witness to all
3. MUKESHKUMAR SHARMA S/o. Chandi Prasad Shirma 2, Nal Kunj Society, Civil Road, Ahmedabad. Occupation : Service	(1 One)	SUKUMAR MAHNOT S/o. Shri Ganapat Singh Mahnot 91, Hirabhai Market Ahmedabad-380 022.
4. KANUBHAI R. PATEL S/o. Ravjibhai Patel B/34, Surjit Society, T.B. Road, Bapunagar, Ahmedabad. Occupation : Service	(1 One)	Chartered Accountant
5. NARESH SHAH S/o. Kantilal Shah 18/3, Chandraprakash Society, Near Old Pilot Dairy Kankaria, Ahmedabad Occupation : Business	(1 One)	
6. UTTAM R. BHANDARI S/o. Rawat Chand Bhandari 546, New Cloth Market, Ahmedabad : 380002	(1 One)	
7. PRAKASH M. DHARWAL S/o. Mehtab Chand Dhariwal J-7, Payal Flats, Jodhpur Char Rasta, Ahmedabad. Occupation : Business	(1 One)	
TOTAL	(7 Seven)	

Place : Ahmedabad

Dated the 22nd day of October, 1986

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

(ORIGINAL JURISDICTION)

COMPANY PETITION NO.155 OF 1993

Connected with

COMPANY APPLICATION NO.829 OF 1993

In the matter of
The Companies Act, 1956
and
In the matter of :

FOREMOST CHEMICALS LIMITED

A Company registered under the Companies Act, 1956 and having its Registered Office at C1B, 3324/3, Phase-IV, Chhatral, Dist.Mehsana in the state of Gujarat.

FOREMOST CHEMICALS LIMITED

A Company registered under the Companies Act, 1956 and having its Registered Office at C1B, 3324/3, Phase-IV, Chhatral, Dist.Mehsana in the state of Gujarat..... Petitioner

BEFORE HONOURABLE MR.JUSTICE S.D.SHAH

Date : 17 March, 1994

ORDER ON PETITION

The above petition coming on for hearing on 17th March, 1994, upon reading the said petition, the order dated 5/11/1993 in the Company Application No.829 of 1993 whereby the said company was ordered to convene a meeting of the Equity Shareholders of the above company for the purpose of considering, and if thought fit, approving, with or without modification the compromise or arrangement proposed to be made between the said company and its members by the Scheme of Amalgamation of the petitioner company with the ELECTROTHERM (INDIA) LIMITED and annexed to the affidavit of Pukharaj B. Shah dated 22/10/1993 and the issues of Loksatta-Jansatta and Indian Express Ahmedabad Edition both dated 12/11/1993 each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated 5/11/1993 and the affidavit of the Chairman of the meeting filed on 4/12/1993 showing the publication and despatch of the notices convening the said meeting and the report of the Chairman of the said meeting dated 24/12/1993 as to the result of the said meeting dated 11/12/1993 and upon hearing Shri S. N .Soparkar, Advocate for the petitioner company and Smt. Swati Soparkar, Advocate for Electrotherm (India) Limited and upon hearing Shri Haroobhai Mehta, Central Government Standing Counsel appearing for the Central Government and it appearing from the said report majority of the Equity Shareholders of the Company, present and voting in person or by proxy.

This Court doth hereby sanction the compromise or arrangement set forth in para 8 of the petition herein and in the schedule hereto and doth hereby declare the same to be binding on the shareholders of the above named company and also on the above named company.

And this Court doth further order that parties to the compromise or arrangement or other persons interested shall be liberty to apply to this court for any direction that may be necessary in regard to the working of the compromise or arrangement, and

That the said company do file with the Registrar of the Companies a certified copy of this order within 30 day from the date of obtaining the same, and

This court doth further order payment of Rs.2,500/- in aggregate as the cost of this petition awardable of Shri Haroobhai Mehta, central Government Standing Council appearing for the Central Government.

SCHEDULE

Scheme of compromise or arrangement as sectioned by the Court.

Dated this 17th day of March, 1994.

**SCHEME OF AMALGAMATION
OF
ELECTROTHERM (INDIA) LIMITED
WITH FOREMOST CHEMICALS LIMITED**

1. With effect from 1st April, 1993 (hereinafter referred to as "the appointed day") the undertaking and all the properties, rights and power of every description of Electrotherm (India) Limited, a Company registered under the companies Act, 1956, and having its Registered Office at 414/1 GIDC Industrial Estate, Phase - II, Vatwa, Ahmedabad : 382 445 (hereinafter referred to as "the Transferor Company") without further act or deed be transferred to and vested in or deemed to be transferred to or vested in Foremost Chemicals Limited, a company registered under the Companies Act, 1956, and having its Registered Office at C-1B, 3324/3 Phase-II, Chattral, Dist.: Mehsana (hereinafter referred to as 'the Transferee Company").

Explanation :

The undertaking of the Transferor company include all rights, powers, authorities and privileges and all properties, movable or immovable including leases and tenancy rights, technical knowhow, drawings and designs and cash balances, reserves, revenue balances and investments and all other interests and rights in or arising out of such property as may belong to or be in possession of the transferor company immediately before the appointed day.

2. All the debts, liabilities and duties and obligations of every kind, nature and description of the Transferor Company with effect from the said appointed day also be transferred or deemed to be transferred without further act or deed to the Transferee Company so as to become the debt, liabilities and duties and obligations of the Transferee Company.

All agreements entered into by the Transferor Company with the Bankers, Trader Unions, Distributors, Stockists, Agents or relating to use of Trade Mark, if any, shall continue to be in full force and effect and may be enforced by or against the Transferee Company.

3. If any suit, appeal or other proceedings of whatsoever nature by or against the Transferor Company is pending, the same shall be continued, prosecuted and enforced by or against the Transferee Company.

4. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the transferor is a party subsisting or having effect immediately before amalgamation shall be in full force and effect against or in favour of the Transferee company and may be enforced as fully and effectively as if instead of the Transferor Company the Transferee Company has been the party thereof.

5. On amalgamation of the Transferor Company with the transferee company the services of all the employees of the transferor company shall stand transferred to the transferee company on the same terms and conditions on which they have been break in the continuity of services to the intent and affect that such employees and always been the employees of the transferee Company.

6. The transfer of property and liabilities under Clauses 1 and 2 and the continuance of the proceedings by the transferee company under Clauses 3 shall not affected any transaction or proceedings already concluded by the end and intents that the transferee company accepts and adopts all acts, deeds and things done and executed by the Transferee Company in regard thereof as done and executed on behalf of itself. Furthermore, as from 1st day of April, 1993, the Transferor Company shall be deemed to have carried on and to be carrying on its business on behalf of the Transferee company until such time as this scheme takes effect.

7. On the scheme becoming effective, the transferor Company be dissolved without winding up.

8. The amalgamation of the transferor Company with the transferee company will be made on the basis that the transferee company shall issue and allot shares in its capital at par, credited as paid up to the extent indicated below, to the members of the Transferor Company whose names appear in its register of members on a date to be fixed by the Director of the Transferee Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferee Company and approved by them to be placed on its Register of Members in the following proportion :

Six (6) equity shares of the face value of Rs. 10/- out of the capital of the Transferee company shall be issued and allotted at par, credit and fully paid up for every one (1) fully paid up equity share of Rs. 10/- held by the members of the Transferor Company or their heirs, executors, administrators or other legal representatives of their successors in title as the case may be.

The new equity shares of the Transferee Company to be allotted to the members of the Transferor Company shall rank for dividend, voting rights and all other respects pari passu with the existing equity shares of the Transferee Company and shall be subject to the Memorandum and Articles of Association of the Transferee Company.

9. The Transferor Company shall with all reasonable dispatch, make applications to the High Court of Gujarat at Ahmedabad for sanctioning this Scheme of Amalgamation under Section 391 of the Companies Act, 1956, and for an order or orders under Section 394 of thereof for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up. The Transferee Company shall also make application to the High Court of Gujarat at Ahmedabad for sanctioning the scheme of amalgamation of the Transferor Company with the Transferee Company under the said Provisions of Law.

10. The Transferor Company by its Directors and the Transferee Company by its Directors, by assent, on behalf of all persons concerned to any modifications or amendments of this Scheme or any conditions which the Court may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

11. For the purpose of giving effect to this scheme of amalgamation or to any modification thereof the Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any questions or doubt or difficulty that may arise in case of issue of allotment of shares.

12. This scheme is conditional on the Scheme being agreed to by the requisite majorities of Shareholders and Creditors and sanctioned by the High Court under Section 394 of the Companies Act, 1956, for and on behalf of the Transferor Company and the Transferee Company and the necessary order or orders under Section 394 of the Companies Act, 1956, referred to hereinabove being obtained.

Date this 17th Day of March, 1994

Witness BHUPINDER NATH KIRPAL Esquire,
The chief Justice at Ahmedabad
Aforesaid this 17th day of March
One Thousand Nine Hundred Ninety Four.

By order of the Court
sd/- D.B. Dholakia
(Addl. Registrar)
this 28th day of March, 1994

Order drawn by :
sd/-
(S.N. Soparkar)
Advocate

Sealer
Sd/- K.A. Master
This 28th day of March 1994

(Seal of High Court)

True Copy
sd/-
For Deputy Registrar
This 29th day of March, 1994

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION
COMPANY PETITION NO. 140 OF 2009
CONNECTED WITH
COMPANY APPLICATION NO. 209 OF 2009

In the matter of Scheme of Arrangement under section 391 and section 78 read with section 100, 102 and 103 of the Companies Act, 1956

AND

In the matter of Electrotherm (India) Limited, a Company registered under the Companies Act, 1956 and having its registered office at A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad - 380 015, Gujarat.

AND

In the matter of Scheme of Arrangement between Electrotherm (India) Limited and its Shareholders.

ELECTROTHERM (INDIA) LIMITED, a Company registered under the Companies Act, 1956 and having its registered office at A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad - 380 015, Gujarat

.....Petitioner Company

BEFORE HONOURABLE MR. JUSTICE S. R. BRAHMBHATT

Date : 30th November 2009

ORDER ON PETITION

The above petition coming on for hearing on 30th November 2009, upon reading the said petition, the order dated 5th May 2009 passed in the Company Application No. 209 of 2009 whereby the meeting of the Preference Shareholders of the Petitioner Company was dispensed with in view of the consent letters placed on record, whereas the meeting of the Equity Shareholders of the Petitioner Company was directed to be convened, for the purpose of considering, and if thought fit, approving, with or without modifications, the arrangement proposed to be made between the said Company and its members and annexed to affidavit of Shri Ashwin Patel filed on 2nd day of May 2009 and The Indian Express - the English daily and Gujarat Samachar, the Gujarati daily both dated 15th May 2009, Ahmedabad editions, each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated 5th May 2009, the affidavit of Shri Shailesh Bhandari filed on 15th May 2009 showing the publication and dispatch of the notices convening the said meeting, the report of the Chairman of the said meeting dated 17th June 2009 as to the result of the said meeting, considering the affidavit dated 22nd September 2009 filed by Mr. R. K. Dalmia, Dy. Registrar of Companies, Gujarat alongwith the letter dated 15th September 2009 by the Regional Director, Dept. of Corporate Affairs and considering the Additional Affidavit dated 12th November 2009 filed on behalf of the petitioner by Shri Avinash Bhandari, and upon hearing Shri Saurabh Soparkar, learned Senior Advocate appearing with Smt. Swati Soparkar, Advocate for the Petitioner Company, and hearing Shri Pankaj Champaneri, Standing counsel appearing for the Central Govt.; and it appearing from the Report of the Chairman that the proposed scheme of arrangement has been approved by requisite majority by the Equity Shareholders present and voting at the said meeting; and it further appearing from the consent letters that the proposed scheme of arrangement has been unanimously approved by the Preference Shareholders of the Petitioner Company;

This Court doth hereby sanction the scheme of arrangement set forth in para 11 of the petition herein, and doth hereby declare the same to be binding on the Equity Shareholders and Preference Shareholders of the above named Company and also on the said Company.

THIS COURT DOTH ORDER:

- (1) That the reduction of the share capital of the above company resolved on and effected by the special resolution passed at the abovereferred meeting of the Equity Shareholders of the said company held on 16th day of June 2009, which resolution was in the words and figures following, viz.

"RESOLVED THAT the Scheme of Arrangement in the nature of Reduction of capital in the form of Utilization of Share Premium Account of Electrotherm (India) Limited, circulated amongst the Equity Shareholders of the Company along with the notice dated 8th May 2009 for convening this meeting, and

initialed by the Chairman for identification, which includes inter alia, reduction of capital in form of utilization of share premium account of the Company, while approving the scheme as a whole, including the consent as required respectively under section 78, 100 and 391 of the Companies Act, 1956, be and is hereby approved."

"RESOLVED FURTEHR THAT the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof) be and are hereby authorised to accept such modifications / amendments / limitations and or conditions, if any, and to do all such acts, deeds, matters and things as are considered requisite or necessary to effectively implement the arrangement as embodied in the Scheme of Arrangement which may be necessary or required by the Hon'ble High Court or any other authority while sanctioning the arrangement as embodied in the Scheme of Arrangement."

be and the same is hereby confirmed.

- (2) That the minutes set forth in the schedule hereto be and is hereby approved.
- (3) That a certified copy of this order including the minute as approved be delivered to the Registrar of Companies within 21 days from this date.
- (4) That notice of the registration by the Registrar of Companies of this order and of the said minute be published once each in the Gujarat Government Gazette and Indian Express and Gujarat Samachar both Ahmedabad editions within 14 days of the registration aforesaid.

And this Court doth further order that parties to the arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the said arrangement, and

That the said Company do file with the Registrar of Companies a certified copy of this order within 30 days from the receipt of the same, and

This Court doth further order payment of Rs. 4,000/- in aggregate as the cost of this petition awardable to Shri Pankaj Chmapaneri, Counsel appearing for the Central Govt.

Dated this 30th day of November 2009

SCHEDULE

Scheme of Arrangement as sanctioned by the court.

Schedule : Minute as approved by the court

SCHEDULE

MINUTE

MINUTE UNDER SEC. 103 (1)

"The Share Premium Account of Electrotherm (India) Limited is, by virtue of a Resolution of the Company dt. 16th June 2009 and by virtue of the sanction granted by the Hon'ble High Court of Gujarat at Ahmedabad on 30th day of November 2009, reduced from Rs. 233.19 crores to Rs. 183.19 crores and the said amount be utilized in the manner provided for in clause 4.1 of the Scheme."

**SCHEME OF ARRANGEMENT
BETWEEN
ELECTROTHERM (INDIA) LIMITED
AND
ITS SHAREHOLDERS**

This Scheme is presented under Sections 391 read with Section 78 and Sections 100, 102 and 103 and any other applicable provisions of the Companies Act, 1956, whereby Electrotherm (India) Limited ("Electrotherm" or "the Company") proposes the utilization of an amount of Rs. 50 Crores standing to the credit of the Share Premium Account for the purpose as detailed in this Scheme.

PART I - PREAMBLE

Background and Objectives:

- A. Electrotherm is a diversified company having interests in Steel, Engineering and Electric Vehicle businesses. The description of each of the businesses is summarized herein below:
- ▶ **Steel Division** - This division manufactures Ductile Iron Pipes, structural steel for Transmission Line Towers, alloy steel, stainless steel, TMT bar mill, steel billets, etc. The Plant is fully integrated and produces hot metal through mini blast furnace and sinter plant, sponge iron using iron ore, power using waste gases and lignite / coal for captive use. The Company is also making foray into fabrication and erection of Transmission Line Towers.
 - ▶ **Engineering Division** - This division manufactures induction furnaces, ladle refining furnaces, metal refining converters, induction heating and hardening equipments, continuous induction furnace and other specialized plant and machinery as well as HYL gas-based DRI plants. The Company also has started manufacturing transformers for industrial applications and is undertaking turnkey projects as an EPC company.
 - ▶ **Electric Vehicle Division** - This division manufactures eco-friendly electric vehicles and has launched Electric bikes under the brand name 'Yo Bykes'. The Company also manufactures batteries and motors for use in electric vehicles.
- B. Electrotherm is in the growth stage and is pursuing both organic and inorganic strategies to achieve its growth objective. Electrotherm was recently allotted Coal Block at Bhaskarpara, Chhattisgarh to be operated jointly with Grasim Industries Limited (52.63:47.37). Electrotherm is also exploring options of making its international presence through overseas acquisitions.
- C. Such an endeavor would not only provide Electrotherm with an opportunity to widen its international footprint but also enable the newly acquired companies to increase their margins by rationalizing the cost structure.
- D. However, such an endeavor is bound to involve substantial time and cost before the investments can grow and mature. Accordingly, the benefit of cost incurred would be achieved by Electrotherm in the long term; such expenses would have an impact on the financials of Electrotherm in the short term.
- E. Further, Electrotherm also intends to record its immovable assets in its books at their respective fair value. Such a treatment would enable Electrotherm to capture the hidden value of these assets by appropriately reflecting them at their respective fair values in the financial statements. The process shall help the Company to improve its financial ratios.
- In view of this, Electrotherm is now proposing to undertake the Scheme of Arrangement as detailed herein below.
- F. With a view to provide greater level of transparency and openness and to secure full involvement of all the shareholders, the Company has decided to present this proposal as a Scheme under Section 391 of the Companies Act, 1956.

PART II - DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

Unless repugnant to the context or meaning thereof, in this Scheme:

- 1.1. "Act" means the Companies Act, 1956, shall include any statutory modification, re - enactments or amendments, if any, thereto.
- 1.2. "Board" means the Board of Directors of Electrotherm or any committee thereof duly constituted or appointed by the board for this purpose.
- 1.3. "Electrotherm" or "the Company" means Electrotherm (India) Limited, a Company incorporated under the Act and having its registered office at A1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad-380 015, Gujarat.

- 1.4. "Effective Date" means the date on which the authenticated copy or the certified copy of the Order, whichever is earlier issued by the Hon'ble High Court of Gujarat at Ahmedabad is filed with the Registrar of Companies, Gujarat at Ahmedabad.
- 1.5. "Expenses" means and without limiting the generality of the foregoing, includes inter-alia the following items accounted for in the financial statements of Electrotherm:
 - 1.5.1. Amount to be written-off towards obsolete or unrealizable assets, whether tangible or intangible or fixed or current;
 - 1.5.2. Any unrealizable loans and/or advances recoverable in cash or in kind, whether belonging to Electrotherm or its Subsidiaries, if any and arising on preparation of stand alone and/or Consolidated Financial Statements of Electrotherm;
 - 1.5.3. Impairment, amortization and / or write-off of goodwill;
 - 1.5.4. Diminution in the value of investments in subsidiary companies and / or Joint Ventures, if any, whether existing or occurring in future, in the Financial Statements of Electrotherm and consequent impairment of goodwill and accumulated losses of such subsidiaries on consolidation in the Financial Statements of Electrotherm;
 - 1.5.5. Such other expenses, increase in depreciation on account of revaluation, cost towards implementation of this Scheme, any other expenses, impairments, write-off's and diminution to the extent identified and considered necessary by the Board from time-to-time.
 - 1.5.6. For the purposes of this clause, if any issue / question arises with respect to identification and / or quantification of the nature and amount of the Expenses, the decision / clarification of the Board shall be final.
- 1.6. "Financial statements" means and includes stand alone accounts and consolidated financial statements prepared together with its subsidiaries and joint venture entities, quarterly / annual accounts of Electrotherm (including cash flow statements, balance sheet, profit and loss account and other financials published along with annual accounts, and quarterly/public reported financial statements of Electrotherm).
- 1.7. "High Court" means the High Court of Gujarat at Ahmedabad or the National Company Law Tribunal, if applicable.
- 1.8. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement in its present form or with any modification(s), if any made, as per Clause 6 of the Scheme.
- 1.9. "Subsidiary" means and includes the subsidiary of Electrotherm, whether existing or future in accordance with the provision of Section 4 of the Companies Act, 1956. The term subsidiary company means either of the companies as the context may require and the term "Subsidiaries" shall be construed accordingly.

2. DATE OF TAKING EFFECT

The Scheme set out herein in its present form or with any modification(s) suggested by the Board and/or approved or imposed or directed by the High Court shall take effect on and from the Effective Date.

3. SHARE CAPITAL

The share capital structure of the Company as on 31st December, 2008 is as under :

Particulars	Amount in Rupees
Authorised:	
2,50,00,000 equity shares of Rs.10/- each	25,00,00,000
2,50,00,000 6% Non-Cumulative Redeemable Preference Shares of Rs.10/- each	25,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up:	
1,14,76,374 equity shares of Rs.10/- each fully paid up	11,47,63,740
1,20,00,000 6% Non-Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up	12,00,00,000
Total	23,47,63,740

Post 31st December, 2008 and upto the approval of the Scheme by the Board, there is no change in the authorised, issued, subscribed and paid-up capital of Electrotherm. The detail of Reserves of the Company as at 31st March 2008 is as under:

Particulars	Amount (Rs. in millions)
Capital Reserve Account	9.11
Share Premium Account	2331.90
General Reserve Account	329
Profit & Loss Account	917.58
TOTAL RESERVES	3587.59

PART III - FINANCIAL ARRANGEMENT OF ELECTROTHERM AND ACCOUNTING TREATMENT

4. ARRANGEMENT

- 4.1. Upon the Scheme becoming effective, Electrotherm shall notwithstanding any other provisions of the Act and without any further act, instrument or deed; on 31st March, 2009 adjust the Expenses as mentioned in clause 1.5 above against the Share Premium Account as appearing in the Financial Statements of Electrotherm as on 31st March, 2008.

Further, the Share Premium Account standing to the credit as on 31st March, 2008 and pending utilization as above shall stand transferred to a "Business Development Reserve Account" on 31st March, 2009. The aggregate amount of the Share Premium Account as adjusted herein above and transferred to the "Business Development Reserve Account", shall be Rs. 50,00,00,000 (Rupees Fifty Crores Only).

- 4.2. Upon the Scheme becoming effective, Electrotherm shall record in its books such immovable assets (including land and building) as the Board may consider necessary or relevant, at their respective fair values and the difference between the book value as on 1st April, 2008 including any addition or accrual thereto upto 31st March, 2009 and the fair value of such assets as on 31st March 2009 shall, without any further act, instrument or deed be credited at the discretion of the Board to the General Reserve Account/ Revaluation Reserve Account/Business Development Reserve Account of Electrotherm on 31st March, 2009, and/or be further transferred to the Business Development Reserve Account as and when deemed fit by the Board.
- 4.3. For the preparation of standalone financial statements of Electrotherm, the Share Premium Account/the Business Development Reserve Account created herein above shall be available for adjusting the Expenses mentioned under clause 1.5 above as and when deemed fit by the Board. Further, for the purposes of preparation of Consolidated Financial Statement of Electrotherm, an identical accounting treatment shall be followed as applicable.
- 4.4. For the preparation of consolidated financial statements of Electrotherm, if required, expenses incurred by the Subsidiary of the nature referred within clause 1.5 of this scheme may be adjusted against the Business Development Reserve Account, created in accordance with and pursuant to clause 4.1 and clause 4.2 above as may be decided by the Board.
- 4.5. As and when the Board of Directors of Electrotherm determines that a part or whole of the balance remaining in Business Development Reserve Account is no longer required for adjusting expenses of the nature referred within clause 1.5 of this scheme, then such part or whole of the balance, so determined by the Board of Directors of Electrotherm, can be transferred to the Share Premium Account and shall be deemed to be the Share Premium Account for all purposes under the provisions of the Act. Further, for the purpose of the consolidated accounts, if prepared by Electrotherm, an identical accounting treatment shall be followed as mentioned herein above.
- 4.6. To the extent of amount utilized and transferred in accordance with clause 4.1 above and its subsequent utilization at an appropriate time as mentioned above, there shall be reduction of the Share Premium Account which shall be effected as an integral part of the Scheme itself in accordance with the provisions of Section 78 and Sections 100, 102 and 103 of the Act, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of paid-up share capital and the order of the Hon'ble High Court of Gujarat at Ahmedabad sanctioning the Scheme, shall be deemed to be an order under Section 102 of the Act confirming reduction of Share Premium Account. The provisions of Section 101 of the Act will not be applicable.

- 4.7. Notwithstanding the reduction as mentioned above, Electrotherm shall not be required to add "and reduced" as a suffix to its name.

5. CONDUCT OF BUSINESS

- 5.1. Nothing contained in the Scheme shall affect the conduct of business of Electrotherm and/or any deeds, bonds, contracts, agreements and any other instruments to which Electrotherm is a party and/or all legal or other proceedings by or against Electrotherm.
- 5.2. Further, nothing contained in the scheme shall affect the existing rights of the workers and employees of Electrotherm.
- 5.3. The utilization and reduction of Share Premium Account and the utilization of the Business Development Reserve Account as created herein accordance with this Scheme shall not cause any prejudice to the creditors of Electrotherm; as the reduction/utilization does not involve either the diminution of any liability in respect of unpaid capital or the payment to any shareholder of any paid up capital or no compromise or arrangement is contemplated with the creditors.

PART IV - GENERAL TERMS AND CONDITIONS

6. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 6.1. Electrotherm shall by its Board or its committees thereof, may make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the High Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them.
- 6.2. Electrotherm by its Board or its committees thereof shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of any other authority or otherwise however arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.
- 6.3. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board affect the adoption or validity or interpretation of the other parts and/ or provisions of this Scheme. It is hereby clarified that the Board may in their absolute discretion, adopt any part of this Scheme or declare the entire Scheme to be null and void and in the event no rights and liabilities whatsoever shall accrue to its shareholders or creditors or employees or any other person.
- 6.4. In case of any doubts arising on account of interpretation of any of the clauses of the Scheme, the matter shall be referred to the Board or its committees thereof for the purpose of implementation of the Scheme.
- 6.5. On the approval of this Scheme by the members of the Company pursuant to Section 391 of the Act, it shall be deemed that the members have also accorded all relevant consents under Section 391 and any other provisions of the Act to the extent the same may be considered necessary or required.

7. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 7.1. This Scheme being approved by the respective requisite majorities of the various classes of members as required under the Act.
- 7.2. Sanction by the Hon'ble High Court of Gujarat at Ahmedabad and authenticated copy or certified copy of the order of the Hon'ble High Court of Gujarat at Ahmedabad, sanctioning the Scheme being filed with the Registrar of Companies, Gujarat at Ahmedabad.
- 7.3. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

8. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Company and all concerned parties without any further act, deed, matter or thing.

9. APPLICATION TO HIGH COURT

- 9.1. Electrotherm shall, with all reasonable dispatch, make applications to the Hon'ble High Court of Gujarat at Ahmedabad where the registered office of Electrotherm is situated or such other authority having jurisdic-

tion under law, under Section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of Electrotherm as may be directed by the Hon'ble High Court of Gujarat at Ahmedabad or such other authority having jurisdiction under law.

- 9.2. On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of Electrotherm as directed by the Hon'ble High Court of Gujarat at Ahmedabad or such other authority having jurisdiction under law, Electrotherm shall, with all reasonable dispatch, apply to the Hon'ble High Court of Gujarat at Ahmedabad or such other authority having jurisdiction under law, for sanctioning the Scheme under Section 391 and for such other order or orders, as the said Hon'ble High Court of Gujarat at Ahmedabad or such other authority having jurisdiction under law may deem fit for carrying this Scheme into effect.

10. EFFECT OF NON-RECEIPT OF APPROVALS

In case the Scheme is not sanctioned by the Hon'ble High Court of Gujarat at Ahmedabad, or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme not being obtained or complied as aforesaid before 31st December, 2009 or within such further period or periods as may be agreed by the Board of Directors, the Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

11. COSTS, CHARGES & EXPENSES

All costs, charges, taxes, stamp and other duties, levies and all other expenses, in connection with this Scheme and matters incidental thereto (including but not limited to legal fees and other costs, charges and expenses incurred in the preparation, execution and implementation of this Scheme) shall be paid and borne by Electrotherm.

Dated this 30th day of November 2009

Witness Mohit Shantilal Shah Esquire,
The Acting Chief Justice at Ahmedabad
Aforesaid this Thirtieth Day of November Two Thousand Nine

By the order of the Court
Sd/-
Principal Registrar (Judicial)
This 16th day of December 2009

(Seal of High Court)

Sd/-
Sealer
This 16th day of December 2009

Order drawn by:
Sd/-
(Swati Saurabh Soparkar)
Advocate
301, Shivalik - 10, Opp. SBI Zonal Office,
Near Old Excise Chowky, S. M. Road,
Ambawadi, Ahmedabad 380 015

True copy
Sd/-
Assistant Registrar
This 17-12-2009