

THE COMPANIES ACT, 1956  
COMPANY LIMITED BY SHARES

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MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
**KANCO ENTERPRISES LIMITED**

J. No. 21-53283.



नाम में तब्दीली के परिणामस्वरूप निदेशन के निम्ने ममा प्रमाण-पत्र  
FRESH CERTIFICATE OF INCORPORATION CONSEQUENT  
ON CHANGE OF NAME

कम्पनियों के रजिस्ट्रार के कार्यालय में : ...  
[ कम्पनी अधिनियम, 1956 ( 1956 का 1 ) के अधीन ]  
In the Office of the Registrar of Companies... West Bengal ...  
[ Under the Companies Act, 1956 ( 1 of 1956 ) ]

...के दिवस में ।  
IN THE MATTER OF Tuscon Resources Limited ...

यह एतद्द्वारा प्रमाणित करता हूँ कि ... परिसीमित निरसका निमयन मूलतः 19 ... के ...  
... दिन ... अधिनियम के अन्तर्गत और ... परिसीमित  
नाम द्वारा किया गया था कम्पनी अधिनियम 1956 की धारा 21/22 (1) (क)/22(1) (ख) के निर्देशनों के अनुसार आवश्यक  
संकेत पारित कर चुकी है और इसकी बाबत केन्द्रीय सरकार की लिखित अनुमतिकम्पनी कार्य विभाग द्वारा प्रदान कर दी गई है ।  
I hereby certify that Tuscon Resources Limited, which was originally incorporated on 04th  
day of October ... 1991 ... under the Companies Act, 1956 under the name Tuscon  
Resources Limited having duly passed the necessary resolution in terms of section 21/22(1)(a)/  
22(1)(b) of Companies Act, 1956, and the approval of the Central Government signified in writing  
having been accorded thereto in the Department of Company Affairs.

क्षेत्रीय निदेशक के तारीख ... 19 ... के पत्र में ... द्वारा प्राप्त है।  
कमरे पर उक्त कम्पनी का नाम इस दिन ... परिसीमित में तब्दील कर दिया गया है और यह  
प्रमाण पत्र उक्त अधिनियम की धारा 23 (1) के अनुसरण में जारी किया जाता है ।  
Regional Director R.C.C. (W.B.) letter No NCRKN/53283 dated 10-06 ... 1998  
the name of the said company is this day changed to Kanco Enterprises Limited  
Limited and this certificate is issued pursuant to section 23(1) of the said Act.

मेरे हस्ताक्षर से यह तारीख ...  
को दिया गया ।  
Given under my hand at C. Catta ... this day of 11th June ... 1998...  
(One thousand nine hundred Ninety Eight ...).



... कवर/सहायक कानूनी रजिस्ट्रार ...  
Add. / Asst. Registrar of Companies  
कलकत्ता-3/West Bengal

\* यहाँ पर कम्पनी का वह नाम लिखिए जो कि तब्दीली से पूर्व था ।

\* Here give the name of the Company as existing prior to the change.

यहाँ पर अधिनियम (अधिनियमों) का नाम लिखिए जिसके अधीन कम्पनी का मूलतः रजिस्ट्रेशन और निमयन किया गया था ।

Here give the name of the Act(s) under which the Company was originally registered and incorporated

जे. एम. सी. 7

J. S. C. 7



CO. NO - 21-53283

नाम में तब्दीली के परिणामस्वरूप निदेशन के लिये नया प्रमाण-पत्र  
**FRESH CERTIFICATE OF INCORPORATION CONSEQUENT  
 ON CHANGE OF NAME**

कम्पनियों के रजिस्ट्रार के कार्यालय में ... ..  
 [ कम्पनी अधिनियम, 1956 ( 1956 का 1 ) के अधीन ]  
 in the Office of the Registrar of Companies... .. **WEST BENGAL, CALCUTTA.**  
 [ Under the Companies Act, 1956 ( 1 of 1956 ) ]

... ..के निम्न में ।  
 IN THE MATTER OF **TUSCON RESOURCES PRIVATE LIMITED.**

मैं एतद्द्वारा प्रमाणित करता हूँ कि ... .. परिचीनित जिसका निगमन मूलतः 19 ... .. के ... ..  
 ... .. दिन ... .. अधिनियम के अन्तर्गत ... .. परिचीनित  
 नाम द्वारा किया गया था कम्पनी अधिनियम 1956 की धारा 21/22 (1) (क)/22(1) (ख) के निर्वाहों के अनुसार आदेशक  
 संकल्प पारित कर चुकी है और इसकी याचन केन्द्रीय सरकार की लिखित अनुमतिकम्पनी कार्य विभाग द्वारा प्रदान कर दी गई है ।

I hereby certify that **Tuscon Resources Private Limited**, which was originally incorporated on **4/10/91**  
 day of **October** 19**91** ... .. under the **Companies Act, 1956** and under the name **Tuscon Resources**  
**Private Limited** having duly passed the necessary resolution in terms of section **21/22(1)(a)**  
**(3) 22(1)(b)** of Companies Act, 1956, and the approval of the Central Government signified in writing  
 having been accorded thereto in the Department of Company Affairs.

क्षेत्रीय निदेशक के तारीख ... .. 19 ... .. दिनांक ... .. प्रकाशित  
 नाम पर उक्त कम्पनी का नाम इन दिनों ... .. परिचीनित में परिवर्तित कर दिया गया है और यह  
 प्रमाण पत्र उक्त अधिनियम की धारा 23 (1) के अनुसरण में जारी किया जाता है ।

Regional Director... ..X... .. letter No... ..X... .. dated... .. 19...  
 the name of the said company is this day changed to **TUSCON RESOURCES**  
 Limited and this certificate is issued pursuant to section 23(1) of the said Act.

मेरे हस्ताक्षर से यह सारीस... ..  
 को दिया गया ।

Given under my hand at... **CALCUTTA** this day of **26th August** 19**97**  
 (One thousand nine hundred **AND NINETY SEVEN**).



**Registrar of Companies**  
**West Bengal**

\*यहाँ पर कम्पनी का वह नाम लिखिए जो कि तब्दीली से पूर्व था ।

\*Here give the name of the Company as existing prior to the change.

यहाँ पर अधिनियम (अधिनियम) का नाम लिखिए जिसके अन्तर्गत कम्पनी का मूलतः रजिस्ट्रीकरण और निगमन किया गया था ।  
 \*Here give the name of the Act(s) under which the Company was originally registered and incorporated.

जे० एच० सी०-7  
 J. S. C.-7



प्राकृत. आई. आर.

Form I. R.

निगमन का प्रमाण-पत्र

# CERTIFICATE OF INCORPORATION

ता. .... का पं.  
No. 2153283 of 1991

जि एन डू द्वारा प्रमाणित करता हूँ कि आज .....

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

I hereby certify that Tuscan Resources

Private Limited

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

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

Given under my hand at Calcutta this fourth  
day of October ..... one thousand nine hundred and  
ninetyone



Dr. ...  
Registrar of Companies  
West Bengal.

*(The Companies Act, 1956)*

**COMPANY LIMITED BY SHARES**

**Memorandum of Association**

**of**

**KANCO ENTERPRISES LIMITED**

- I. The name of the Company is KANCO ENTERPRISES LIMITED.
- II. The Registered Office of the Company will be situated in the State of West Bengal.
- III. The objects for which the Company is established are :

**A. Main objects to be pursued by the Company on its Incorporation :-**

1. To carry on the business as traders, dealers, wholesalers, retailers, makers, designers, combbers, scourers, spinners, weavers, finishers, dyers and manufacturers of readymade garments, yarns and fabrics of wool, cotton jute, silk, rayon, nylon, terylene and other natural, synthetic and/or fibrous substance and/or manufacturers of materials from the waste realised from the above mentioned products either on its own account or on commission and to carry on the business as drapers and dealers of furnishing fabrics in all its branches, as costumiers, readymade dress and mantle makers, silk mercers, makers and suppliers of clothing, lingerie and trimmings of every kind, furriers, drapers, haberdashers, milliners, hoisers, glovers, lace makers, feathers, dressers, felt makers, dealers in and manufacturers, of yarns, fabrics and also to manufacture, deal in or process natural starch and other sizing materials, substances of all kinds and compounds and other substances, either basic or intermediate required for the above mentioned product or products.
2. To own, purchase, take on lease, hire or exchange or otherwise acquire any estate, land tea garden orchards, groves, plantations and farms and to carry on business as cultivators, growers, producers, planters, manufacturers, buyers, sellers, dealers, importers, exporters, agents, brokers, traders or stockists of tea, coffee, cocoa, cinchona, rubber, bamboo, timber, fruits, vegetables, coconut, spices, cardamom, jute, hemp, cotton, sugarcane, linseed, oilseeds, wheat and other grains and any kind of horticulture, agricultural, food or beverage product or products.
3. To manufacture, process, import, export, buy, sell and deal in chemicals, vanaspati oils, de-hydrated vegetable oils, oils made or processed from seeds, cotton seeds, coconuts, products of plantations, horticulture, agriculture and forest produce and oil cakes and soaps and lubricants made from such oils or as by-products thereof.
4. To carry on business as repairers, advisors, technical consultants, projects managers, agents, assemblers, hirers, importers, exporters, dealers, traders, transporters, brokers, buyers, sellers of plants, machinery, engineering goods, spare parts, accessories, equipments, machine tools, apparatus, components, parts,, fitting implements used at any stage in manufacturing process of the goods in jute, textiles, fabrication, agricultural, plantations, and irrigation industries or in connection with any such business.

**B. Objects incidental or ancillary to the attainment of main objects :-**

1. To lend, invest or deal with the money either with or without interest or security, including in current or deposit account with any Bank or Banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit subject to provision of Section 58A of the Companies Act, 1956 and direction issued by Reserve Bank of India or loan upon such terms and conditions as the Company may approve, subject to the provisions of Companies Act, Provided the Company shall not do any banking business as defined under the Banking Regulations Act, 1949.

2. To borrow or raise or secure the payment of money from any Bank or Banks or any Financial Institution or any other person or persons NRI, NRO & Foreign Banks and Institutions for the purpose of the Company's main business in such manner and on such terms and with such rights, powers and privileges as the Company may think fit and particular by issue of or upon bonds, debentures, bills of exchange, promissory notes or other obligation or securities of the Company and with a view to hypothecate and/or in any way encumber or create charge on the undertaking and all or any of the immovable and movable properties, present or future, and all or any of the uncalled capital for the time being of the Company and to purchase, redeem or pay off any such securities.
3. To enter into partnership or arrangement for sharing the profits or joint venture with any person or persons, company carrying on or about to carry on any business capable of being conducted so as directly or indirectly to benefit this Company and to acquire or join in acquiring any such business, as covered by the object clause (A) above.
4. To sell, improve, manage, develop, exchange, lease, mortgage, dispose off turn to account or otherwise deal with all or any part of the undertaking, property, investments and rights of the Company.
5. To apply for, purchase or otherwise acquire any patent, trade mark, breveted invention, licences, concessions, protection, rights, privileges, and the like conferring any exclusive or non-exclusive or limited rights to any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem directly or indirectly of use or benefit to the Company or may appear likely to be advantageous or useful to the Company and to use, exercise, develop or grant license, privileges in that respect or otherwise turn to account the property, right or information so acquired and to assist encourage, and spend money in making experiments tests, improvements of all invention patent and right, which the Company may acquire or propose to acquire.
6. To establish and support or 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 dependants or the connections of such persons; or subject to the provisions of the Companies Act, 1956 to subscribe or grant money for any charitable, national, religious, benevolent, object or fund; or for any purpose which may likely, directly or indirectly, further the main objects of Company or the interest of its members or business subject to provisions of Section 293A of the Companies Act, 1956.
7. To distribute among the members of the Company dividends including bonus shares (including fractional Share Certificates) out of profits, accumulated profits, or funds and resources of the Company in any manner permissible under Law in the winding up.
8. To allot shares in the Company to be considered as fully or partly paid up in payment or consideration of any service or property of whatever description which the Company may acquire.
9. To amalgamate with any company or companies having objects altogether or in part similar to those of this Company or any other Company, subject to the provisions of Section 391 to 394 of the Companies Act, 1956.
10. To open branches in India and elsewhere and to get the Company registered in any foreign country and adopt such means of making known to the public the business or the products of the Company as may seem expedient and in particulars by advertising in the press, by circulars and publication of books and periodicals.
11. To pay out of the funds of the Company all costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
12. To provide for the welfare of employees or ex-employees (including Directors and ex-Directors) of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building or dwelling houses or quarters, to grant money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payments, by creating and from time to time subscribing or contributing to Provident Fund, institutions, funds, profits sharing or other schemes, or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance or assistant as the Company shall think fit.
13. To undertake, carryout, promote and sponsor rural development including any programme for promoting

economic welfare of or the upliftment of the public in any rural area and to incur any expenditure or any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner and divest the ownership of any property of the Company to or in favour of any public or local Body or Authority or State Government or any Public Institution or Trust or Fund or Organisation or person as the Directors may approve to establish and support or aid in the establishment and support of associations, institutions, clubs, societies, funds, trusts and conveniences constituted to benefit employees or ex-employees of the Company or the dependents or the connections of such persons or subject to the provisions of Companies Act, to subscribe or guarantee money for any charitable, national, religious, benevolent, general or useful object or fund, or for any purpose which may likely, directly, or indirectly, further the objects of Company or the interest of its members of business.

14. To guarantee the payment of money, unsecured or secured by or payable under or in respect of bonds, debentures, contracts, mortgages, charges, obligations and other securities of any Company or of any Authority, Central, State, Municipal, Local or otherwise or of any person whomsoever, whether incorporated or not for the purpose of the business of the Company.

15. To promote, form or acquire any company and to take, purchase, or acquire shares or interest in any company and to transfer to any such company any property of this Company and to take or otherwise acquire, hold and dispose off or otherwise deal in and invest in any shares, debentures and other securities in or of any company or companies either out of its own funds or out of funds that it might borrow by issue of debentures or from bankers or otherwise howsoever or in any other manner and to subsidise or otherwise assist any such company.

**C. Other Objects :-**

1. To carry on business as producers, manufacturers, processors, converters, refiners, makers, bottlers, stockists, dealers, importers, exporters, traders, retailers, agents, buyers or sellers of oxygen, acetylene, ammonia, carbon dioxide, nitrogen, hydrogen, helium, and other types and kinds of gases required for or used in industries, agriculture, clinics, hospitals, refrigeration, aviation, transport vehicles, space rocket and crafts communication, objects and media, power plants domestic or public lighting, heating, cooling or cooking purposes lighters, plant producing, water, chemicals or fuels, pesticide, defence or war fare establishments, horticulture, forest or plant protection and growth and other allied purposes and to service, repair, manufacture, market or deal in machinery, plants, spares, cylinders, containers, gadgets, appliances and accessories required for working or using or producing any of such gases and products.

2. To carry on the business as printers, publishers, stationers, lithographers, stereotypers, electrotypers, photographers, printers, lithographers and engravers, die sinkers, book binders, designers, draftsman, paper and ink manufacturers, envelope manufacturers, account book manufacturers, machine rulers, numerical printers, bag makers, cardboard manufacturers, ticket manufacturers, calendars and book-sellers, diary printers, dealers in playing, visiting, railway, festive, complimentary, wedding or other ceremonial cards or fancy cards or valentines.

3. To produce, manufacture, refine, prepare, process, purchase, sell, import, export or generally deal in bricks, sand, stone, marble, tiles, refractories, china wares, sanitary materials, pipes, tubes, tubular structures, cement, paints, adhesives, sheets, roofings, glass furniture, fittings, electrical goods, water supply or storage, equipments, floor polish, door closers, concrete mixers, elevators, paints, hardware, pipe fittings, lubricant oil, building materials, forest products, and any other building or decorative materials made of cement, stone, clay, timber, teak, board, fibre, paper, glass, rubber, plastic or other natural or synthetic substance or chemical.

4. To manufacture, export, import, buy, sell and deal in bags, containers, cans, boxes, drums, cylinders, bottle tops, crown corks, packages, packing materials, pressed netwares, utensils, cutlery, table wares and articles made of hessian, tin, metal, plates, sheets, glass, fibre, paper, board, cloth, leather, plastic or other synthetic compound or materials, timber or plywood and to deal in tinplates, wire, sheets and to undertake either on own account or on commission basis or otherwise printing, painting, designing, enamelling, electroplating, engraving or otherwise decorating the aforesaid products to any of such products or articles and to act as packers.

5. To manufacture, export, import, buy, sell, hire, lease out and deal in GLS lamps, electric bulbs, tube lights

and other types of bulbs, lamps or tube and voltaic battery cells, power pack or storage batteries and battery containers and battery eliminators of different types required for or used in domestic, household, industrial commercial agricultural, mining, hospital, surgical or scientific appliances, machinery, apparatus or accessories and railways, tramway automobile and other vehicles, defence establishments army, navy and airforce for wireless, radios, torches, toys, electric and electronic equipments or otherwise and also to carry on business as manufacturers of and dealers in torches, toys, personal aids and other appliances working on such batteries and such items and goods which may be useful, akin or otherwise connected with any one or more of the aforesaid items or products.

6. To carry on business as manufacturers, producers, dealers, importers, exporters, stockists, agents, brokers, traders, retailers of all kinds of paper and packages, board, sheets, stationery goods, wrappers, tapes, film sheets, laminates and other packing materials, made of paper, card-board, corrugated sheets, cloth hessian timber, teak, plywood metal, plastic p.v.c. or other synthetic chemical, fibrous or natural products for domestic, household educational, commercial, industrial Government or public use.

7. To carry on business as advertising and publicity agents and contractors in various ways and manners including outdoor and in newspapers, magazines, books, screens, slides, walls, buses, railways, other transport vehicles and public places, audio-visual display and to prepare, advise, manufacture and construct advertising devices and to publish or advertise the same through any media whatsoever.

8. To carry on business as traders, dealers, wholesalers, retailers, makers, designers, combbers, scourers, spinners, weavers, finishers, dyers and manufacturers of readymade garments, yarns and fabric of wool, cotton, jute, silk, rayon, nylon, tereline and other natural, synthetic and/or fibrous substances and/or manufacturers of materials from the waste realised from the above mentioned products either on its own account or on commission and to carry on business as drapers and dealers of furnishing fabrics in all its branches as customers, readymade dress and mantle makers, silk mercers, makers and suppliers of clothing, lingerie and trimmings of every kind furrries, draper haberdashers milliners, hosiers, glovers, lace makers, feather dressers, felt makers dealers in and manufacturers of yarns, fabrics and also to manufacture, deal in or process natural starch and other sizing materials, substances of all kinds and compounds and other substances, either basic or intermediate required for the above mentioned product or products.

9. To carry on business as manufacturers, repairers, assemblers or hirers, agents, importers, exporters, dealers, traders, stockists, brokers, buyers, sellers of plants, machinery, engineering goods, spare parts, accessories, equipments, machine tools, apparatus, components parts, fitting implements, accessories required by workshops, transporters, railways or for agricultural plantations, handling, excavation, domestic, fabrication or irrigation purposes and to acquire, construct, hire, decorate, maintain or own land workshops, factories, shops, show rooms, office rights or agencies required for in connection with any such business.

10. To carry on business as advisers and/or consultants on matters and problems relating to the import, export, industries, administration, management, organisation, accountancy, costing, financial marketing, commercial or economic activities, labour, statistical, organisation, methods, quality control and data processing, technical know how, operation, manufacture, production, storage, distribution, sale and purchase of goods, property and other activities of and relation to any business, trade, commerce, industry, mine, agriculture, housing or real estate and upon the means methods and procedure for the establishment, construction, development, improvement and expansion of business, trade, commerce industry, agriculture, buildings, real estates, plant or machineries and all systems, methods, techniques, process, principles in relation to the foregoing and to carry on business of rendering service on any one or more of aforesaid matters to any persons, firm, company, trust, association, institutions, society, body corporate, government or government department, public or local authority or any other organisation whatsoever to act as a intermediaries in the introduction of collaborators, sellers, purchasers, printers, tenants, agents, consumers, and employees.

11. To purchase or otherwise acquire any land, building or premises, and to turn into account, develop, improve, alter, demolish, let out, for the purpose of carrying on the business of hotel, restaurants, refreshments and tea rooms, cafes and milk and snack bars, and as caterers and contractors in all its respective branches, bakers, confectioners, tobaccoists, milk sellers, butter sellers, dairyman, grocers, poulterers, greengrocers farmers, ice merchants and ice cream manufacturers, to manufacture, buy, sell, define, prepare, grow, import, export and deal in provisions of all kinds both wholesale and retail and whether solid or liquid and to establish



and provide all kinds of conveniences and attractions for customers and other and in particulars reading, writing and smoke rooms, locker and safe deposits, telephones and telegraphs, stores, shops and lavatories.

12. To carry on business as producers or growers or dealers in, exporters, importers, stockists, agents, distributors of ice, ice candy, ice cream and other ice products, carbonated, aerated or mineral waters, fruit juice, wines, liquors and other alcoholic, non-alcoholic or synthetic drink, daily products, fresh dehydrated, preserved or processed vegetables, fruits, oils, seeds and other farm, agricultural or food products and to provide for cold storage or preservation of such products, medicines for own business or for hire by others and to own, establish, purchase, take on lease, rent on hire, build, construct, develop or otherwise acquire and arrange land, building, cold storage space or warehouses, godowns, containers, shops, showrooms, workshops, vehicles, plants, machineries, equipments, apparatus, appliances, stores or services required in connection with or in relation to cold storage or any of the business or objects mentioned herein.

13. To carry on and undertake the business of leasing and to finance lease operations of all kinds, purchasing selling, dealing, trading, investments, hiring or letting on hire all kinds of plant and machinery and equipment and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transactions and to subsidise finance or assist in subsidising or financing the sale and maintenance of any goods, articles, or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable property including land & building, plant and machinery, equipments, ships, aircraft, automobiles, computers and all customer, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof regardless of whether the property purchased and leased be new and/or used.

14. To purchase, acquire, hold and dispose off or otherwise deal and invest in any shares, debentures and other securities in or of any company or companies and to act as investors, guarantors, underwriters, financiers, to industrial enterprises either out of its own funds or out of funds that the company might borrow by issue of debentures from bankers or otherwise howsoever in any other manner.

15. to carry on the business as manufacturers, coaters, processors, importers, exporters, buyers, sellers, commission agents of and dealers in all types of chemicals, plastics, rubber, leather, foam, cellulose, paper and paper board, wax and their products of any nature and kind whatsoever and in particular High Density Polythelene/Polypropylene Sacks and fabrics with or without lamination of any of the products and/or other packaging products or new substances being improvements upon, modifications of or resulting from any processes and/or manufacturers of materials from the waste realised from any of the above mentioned products either on its own account or on commission.

16. To carry on and undertake the business of a Company established with the object of financing industrial enterprises within the meaning of Section 370 of the Companies Act, 1956 and to undertake the business of arranging managing and/or providing venture capital, seed capital, risk capital or promoters, capital, loans, advances, guarantees and participate in Equity/Preference Share Capital and other means of financial intermediation with or without security or existing or proposed industrial commercial or trading enterprises whether a corporate or non-corporate body, individual or a group whether promoted by this Company or within the same management or not promote directly or indirectly industry, trade and commerce, national and international by either individual or in association, corporation, collaboration or participation with other local or offshore entities and to provide financial counselling and services in connection with evaluation and/or identification of projects, products, technologies markets collaborations and promoters or co-promoters and development or revival or constitution or re-constitution of business.

17. To carry on business as manufacturers, dealers, importers, exporters, agents, spinner, weavers, finishers and designers of raffia tapes, films, woven sacks, fishing nets, ropes, carpets, clothes and other products required in or used for industrial, commercial agricultural and domestic purposes and made from poly-propylene, polyethylene, jute, cotton, coir and other natural and synthetic fibres or strips or materials.

18. To carry on business as manufacturers, producers, dealers, importers, exporters, stockists, agents, brokers, traders, retailers of all kinds of paper and packages, board, sheets, packing materials, stationery goods and articles made fully or partly of paper for domestic, household, educational, commercial, industrial, Government or public

use and to own, acquire, take on lease, rent, hire, purchase, build, construct, develop or arrange land, building, godown, shops, plant, machinery, equipments, stores or stocks, or services required in connection with or relation to any of the forgoing business.

19. To carry on business as agents, importers, exporters, dealers, traders, stockists, brokers, buyers, sellers, manufacturers, repairers, assemblers or hirers of plants, machinery, equipments, machine tools, apparatus component parts, fittings, implements, accessories or raw materials required by workshops, transporters, railways or for agricultural, plantations, handling, excavation, domestic, fabrication or irrigation purposes and to acquire, construct, hire, decorate, maintain or own land, workshops, factories shops, show rooms, office, rights or agencies required for or in connection with any such business.

20. To carry on business as advisors and/or consultants on matters and problems relating to the industries, administration, management, organisation, accountancy, costing, financial, marketing, import, export, commercial or economic activities, labour, statistical organisation, methods, quality control and data processing, technical 'Know-How', operation, manufacture, production, storage, distribution, sale and purchase of goods, property and other activities of and in relation to any business, trade, commerce, industry, mine, agriculture, housing or real estate and upon the means, methods and procedure for the establishment, construction, development, improvement and expansion of business, trade, commerce, industry, agriculture, building, real estates, plant or machineries and all systems, methods, techniques, processes, principles in relation to the foregoing and to carry on business of rendering services on any one or more aforesaid matters to any person, firm, company, trust, association, institution, society, body corporate, government or government department, public or local authority or any other organisation whatsoever, to act as intermediaries in the introduction of collaborators, sellers, purchasers, partners, tenants, agents, consumers, and employees.

21. To manage land, building, and other properties whether belonging to the Company or not, and to collect rents and income, and to supply tenants and occupiers and other refreshments, attendance, light, waiting rooms, reading rooms, meeting rooms, electric conveniences and other advantages.

22. To carry on business as traders, exporters, agents, representatives, dealers, producers, stockists, importers or distributors of tea, coffee, jute and jute goods, textile, cotton, cellulosic or synthetic fibre, silk, yarn, wool and woolen goods, handicrafts, marble and other stones, steel, plastic, rubber, chemicals, engineering goods, metals, minerals, electronic, cloth, dresses, garments, transport vehicles, food products, books, reading and educative materials, paper and paper products, tobacco and tobacco products.

23. To guarantee the payment of the money, unsecured or secured by or payable under or in respect of bonds, debentures, contract, mortgages, charges, obligations and other securities of any company or of any Authority Central, State, Municipal, local or otherwise, or of any person whomsoever, whether incorporated or not and generally to transact all kinds of guarantee business.

24. To undertake power generation for the manufacturing process and to lease or hire or otherwise acquire and to install such equipments as may be necessary in connection with such operation.

(iv) The liability of the members is limited.

V. The Authorised Share Capital of the Company is Rs. 18.50 Crores (Rupees Eighteen Crores and Fifty Lacs) only divided into 1,85,00,000 Equity Shares of Rs. 10/- each with power to increase or reduce the same in accordance with the provisions of the Companies Act, 1956.

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

Names, Addresses, Description & Occupation of Subscribers	Number of Equity Shares taken by each Subscriber	Names, Addresses Description & Occupation of Witness
GOVIND RAM BANKA 24, Ballygunge Park Road Calcutta 700 019 Service	25 (Twenty five)	Witness to all signatories KRISHAN KUMAR PATODIA 50, Pathuria Ghat Street Calcutta 700 006 Service
LAKHI PRASAD SARAOGI 170, Chittaranjan Avenue Calcutta 700 007 Service	25 (Twenty five)	
ASHOK KUMAR NANGALIA C/o. Reliance Jute Mills P. O. Bhatpara 743 123 Dist. 24 Parganas (W.B.) Service	25 (Twenty five)	
RAMESH KUMAR KAJARIA P-221, C I T Road Scheme No. VII M Calcutta 700 054 Service	25 (Twenty five)	
Total Shares taken	100 (One hundred)	

Calcutta, dated 4th day of October, 1991

*(The Companies Act, 1956)*

## **COMPANY LIMITED BY SHARES**

# **Articles of Association of KANCO ENTERPRISES LIMITED**

### **I PRELIMINARY**

1. The regulations contained in Table A in Schedule I of the Companies Act 1956, shall not apply.
2. In these Articles :  
Unless the context otherwise requires :-
  - (i) The company or this company means - "Kanco Enterprises Limited".
  - (ii) The words or expression contained in these Articles shall bear the same meaning as in the Act.
  - (iii) "The Act" means the Companies Act, 1956 or any statutory modification thereof and "Section" shall mean a Section of the said Act.
  - (iv) "The Board" means the Board of Directors for the time being of the Company,
  - (v) "The Seal" means the Common Seal of the Company,
  - (vi) "Office" means the registered Office of the Company.
  - (vii) Words importing singular number shall include plural and vice versa and words importing the masculine gender shall include females and the words importing persons shall include body corporate.
  - (viii) "Month" and "Year" means a calendar month and a calendar year respectively.
  - (ix) Expressions referring to "writing" shall be construed as including references to printing, lithograph, photography and other modes of representing or reproducing words in a visible form.
  - (x) "The Register" means the Register of Members kept pursuant to the Act and the Register of Beneficial Owners pursuant to the Depositories Act, 1996 as amended from time to time, in case of shares held by a depository.
  - (xi) "Depositories Act" means the Depositories Act, 1996 and shall include any statutory modification, alteration or re-enactment for the time being in force.
  - (xii) "Beneficial Owner" shall have the same meaning assigned to it under Section 2(1)(a) of the Depositories Act.
  - (xiii) "Depository" means a Depository defined under Section 2(1)(a) of the Depositories Act.
  - (xiv) "Members" means the subscribers to the Memorandum of Association and duly registered shareholders from time to time of the Company and shall include in case of shares held by a depository, the Beneficial Owners whose names are recorded as such with the Depository.
  - (xv) "Debentureholders" means the duly registered holders from time to time of the Debentures of the Company and shall include in case of debentures held by a Depository, the Beneficial Owners whose names are recorded as such with the Depository.

### **II CAPITAL**

3. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided under clause No. V of the Memorandum of Association of the Company.
4. The Company shall have the power to increase or reduce the capital for the time being of the company and to divide the shares in the capital into several classes with rights, privileges or conditions as may be determined. The Company may issue preference shares which shall, or at the option of the company shall be, liable to be redeemed.

- 4(a) The Company shall have the power to issue Equity Shares with voting rights and also with differential rights as to dividends, voting or otherwise in accordance with the applicable provisions of the Companies Act and any amendments made therein.

### III SHARES

5. The shares shall be under the control of the Board who subject to the provisions of the Act may classify, allot or otherwise dispose of the same to such persons on such terms and conditions and either at a premium or at par or at a discount and at such time as the board thinks fit and with full power to call for the allotment of any share either at par or at premium or at a discount and for such time and for such consideration as the Directors may think fit, provided that no option or right to call shall be given to any person except with the sanction of the Company in general meeting.

5(a) Issue of Sweat Equity Shares :

The Company shall have power to issue Sweat Equity Shares in accordance with the provisions of Sec 79A and other applicable provisions of the Act and regulations made by the Securities and Exchange Board of India in this regard.

5(b) Dematerialise, Rematerialise Securities, Numbering of Shares :

- i) Notwithstanding anything contained in these Articles, the Shareholders/debentureholders of Company shall be entitled to dematerialise and rematerialise their existing shares, debentures other securities, held in the physical form and dematerialised form respectively and the Company shall offer fresh shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act. "
- ii) The Shares in the capital shall be numbered progressively according to their several denominations provided that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future dematerialised form. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
- iii) Every person subscribing to shares, debentures or other securities offered by the Company shall have the option to receive such shares, debentures or securities in physical form or to hold the same with a depository in dematerialised form. Such a person who is Beneficial Owner of the securities can at any time opt out of a depository, if permitted, in the manner provided by law and the Company shall in the manner and within the time prescribed issue to the Beneficial Owner the required certificates in physical form at a fee of Rs. 100/- per certificate in case the single certificate is not for the market lot of 50 Shares, subject to discretion of the Board to waive the said fee.
- iv) In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures, or securities, are being held in an electronic and fungible form by a Depository, the provisions of the Depositories Act shall apply.
- v) If the shares of Beneficial Owner are held with a Depository, the Company shall inform such Depository, the details of allotment of any security in dematerialised form to such Beneficial Owner, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the security.
- vi) A Depository shall be deemed to be the registered owner of the securities. However the Depository as the registered owner of the securities, shall not have any voting rights in respect of the securities held by it. Such voting rights shall be vested with the Beneficial Owner of the shares.
- vii) Beneficial Owner shall be deemed as absolute owner. Save as herein otherwise provided, Company shall be entitled to treat persons whose names appear as the Beneficial Owner of shares and/or debentures and other securities, in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters concerning the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as required by law) be bound to recognise any equitable, contingent or other claim or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

### IV PAYMENT OF COMMISSION & BROKERAGE

6. (1) The company may exercise the powers of paying commissions conferred by Section 76, 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 section.

- (2) Subject to the provisions of the Section 76 of the Act, the rate of the commission shall not exceed the rate of five percent of the price at which the shares in respect where-of the same is paid are issued or an amount equal to five percent of such price, as the case may be, and in case of debentures two and half percent of the price at which debentures are issued.
- (3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in one way and partly the other.
- (4) The company may also pay such brokerage as may be lawful on any issue of shares or debentures.

## V TRUSTS NOT RECOGNISED

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

## VI MODIFICATION OF RIGHTS

8. (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 the class) may, subject to the provisions of section 106 and 107 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of the special resolution passed at a separate meeting of the holders of the shares of that class.
  - (2) In every such separate meeting, the provisions, of these Articles relating to general meeting shall mutatis mutandis apply, but so that the necessary quorum shall be two person at least holding or representing by proxy one third of the issued shares of the class in question.
9. 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.

## VII SHARE CERTIFICATE

10. The certificate of title to shares shall be issued within three months after allotment (or within such other period as the conditions of the issue shall provide) or within one month after the application for the registration of transfer is received under the seal of the Company signed by two Directors and the Secretary or some other person appointed by the Directors, subject to such rules and regulations as may be prescribed by law from time to time.

11. (1) Every person whose name is entered as a member in the Register of members shall be entitled to receive within three months after allotment or within one month after the application for the registration of transfer (or within such other period as the conditions of issue shall provide) :
    - (a) one certificate for all his shares without payment.
    - or
    - (b) several certificates, each for one or more of his shares upon payment of one rupee for every certificate after the first.
    - (c) several certificates to one member as directed by the Stock Exchange from time to time without any payment where the shares of the Company are listed ;
  - (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.
  - (3) 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 certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
12. The certificate of share registered in the names of two or more persons shall be delivered to the person first named in the register.

13. If any certificate be old, decrepit, worn-out, torn or defaced or where the cages on its reverse side for recording transfers have been fully utilized, then upon surrender thereof to the Company, the Board shall order the same to be cancelled and issue a new certificate in lieu thereof without any payment. If any certificate be lost or destroyed, then upon proof of such loss or destruction to the satisfaction of the Board and on such indemnity and payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board think fit, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate on a fee of one rupee for each certificate or such smaller fee as the Board may determine.

Provided that no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised.

**13(A) Issue of Certificates to Beneficial Owners of shares/debentures/other securities :**

Notwithstanding anything contained in these Articles, certificate, if required, for dematerialised share, debenture and any other security shall be issued in the name of the Depository and all the provisions contained in this Article in respect of member/debenture holder of the Company shall *mutatis mutandis* apply to the Depository as if it were a member/debenture holder/security holder excepting that and notwithstanding that the Depository shall have been registered as the holder of a dematerialised share, debenture and any other security, the person who is the Beneficial Owner of such shares, debentures and other securities shall be entitled to all the rights available to the registered share, debentures and other securities in the Company as set out in other provisions of these Articles.

## **VIII CALLS**

14. The Board may, from time to time, make such calls on uniform basis, as it thinks fit, upon the members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) held by them and not by conditions of allotments thereof made payable at fixed time and each such member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board. A call may be made payable by instalments.

15. The joint holders of shares severally as well as jointly be liable for the payment of all instalments and calls due in respect of such shares.

16. (1) A call be deemed to have been made at the time when the resolution of the Board authorising such call was passed unless the same is expressly made effective on any other date under such resolution.
- (2) Not less than 14 days' notice of any call shall be given specifying the place and time of payment and to whom such call shall be paid ; provided that Board may, subject to Section 91 of the Act, by notice in writing to a member, revoke the call or extend the time for payment thereof.

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

18. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time being of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same at the rate of 9 (nine) percent per annum (or at such other rate as the Board may determine) from the day appointed for the payment thereof to the time of actual payment but the Board shall be at liberty to waive payment of the interest wholly or in part.

19. The Board may receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the money so paid in advance, or so much thereof, as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made and the Company may pay interest at such rate not exceeding nine (9) percent per annum or as the member paying such sum in advance and the Directors agree upon. Money so paid in excess of the amount of calls shall not rank for dividends or participate in profits. Money so paid in excess of the amount of calls until appropriated towards satisfaction of any call shall be treated as advance to the Company and not a part of capital and shall be repayable at any time if the Directors so decide.

## **IX FORFEITURE**

20. If any member fails to pay the whole or any part of any call, or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or instalment or other money remain unpaid serve

a notice on such member or on the persons (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all the expenses that may have been incurred by the Company by reason of such non-payment.

21. The notice shall name a day (not being less than 14 days from the date of notice) and a place on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the share in respect of which such call was made or instalment is payable will be liable to be forfeited.

22. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of call or instalment, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect and the forfeiture shall be recorded in the Director's Minute Book. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

23. When any shares shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and entry of the forfeiture with date thereof shall forthwith be made in the register of the members.

24. Any share so forfeited shall be deemed to be the property of the company and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it think fit.

25. Any member whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all calls, instalments, interests, and expenses owing upon or in respect of such shares at the date of the forfeiture, together with interest thereon from the time of forfeiture until payment at the rate of nine (9) per cent per annum and the Directors may enforce thereon, if they think fit.

26. The forfeiture of a share shall involve the extinction of all interest in and also of all claims, demands and rights against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by the Articles are expressly saved.

27. A duly certified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have duly been 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 shares; and such declaration, and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the person to whom the shares are sold shall be registered as holder thereof and shall not be bound to see the application of the purchase money, nor shall his title to such shares be effected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposition.

## **X LIEN ON SHARES**

28. The Company shall have first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 7 hereof will have full effect. And such lien shall extend to all dividend and Bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien if any, on such shares. The Directors may at any time declare any Shares wholly or in part to be exempt from the provisions of this Clause.

29. No member shall exercise any voting right in respect of any shares registered in his names on which any calls or other sum, presently payable by him, have not been paid or in regard to which the Company has exercised any right of lien.

30. 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 and is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

31. The net proceeds of any such sale shall be applied in or towards satisfaction of the debts, liabilities or



engagements of such member, his executors, administrators or representatives, and 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 persons entitled to the shares at the date of the sale.

32. Upon any sale after forfeiture or for enforcing lien in purported exercise of the powers hereinbefore given, the Directors may cause, the purchaser's name to be entered in the register of members in respect of the share sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale be in damages only.

## XI TRANSFER

33. Save as provided in Section 108 of the Act, no transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the company together with the certificate or if no such certificate is in existence, the Letter of Allotment of the Shares. The instrument of transfer of any shares in or debentures of the company, shall specify the name, father's/husband's name, address, occupation, nationality of the transferee. The Transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the Register of members. Each signature to such transfer shall be duly attested by the signature of one witness who shall add his address.

34. Application for the registration of the transfer of shares may be made either by the transferor or the transferee. Where such application is made by the transferor and relates to a partly paid share, no registration shall be effected unless the Company gives notice of the application to the transferee, in the manner prescribed by Section 110 of the Act. Subject to the provisions of Articles hereof, if the transferee makes no objection within two weeks from the date of receipt of the notice, the Company shall enter in the register of member the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

35. Before registering any transfer tendered for registration the Company may, if it thinks fit, give notice by letter posted in the ordinary course to the registered holder, that such transfer deed has been lodged and that unless objection is made the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the company within ten days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder the Company shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Board in respect of such non-receipt.

36. Neither the Company nor its Board shall incur any liability for registering or effecting a transfer of shares apparently made by competent parties, although the same may by reason of any fraud or other cause not known to the company or its Board, be legally inoperative or insufficient to pass the property in the shares or debentures proposed or proposed to be transferred; and although the transfer may, as between the transferor and transferee, be liable to be set aside and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particular of the shares transferred, or otherwise in a defective manner. In every such case the person registered as transferee, his executors, administrators or assigns alone shall be entitled to be recognised as the holder of such share or debentures and the previous holder of such share or debentures shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

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

38. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the shares or if no such certificate is in existence, by the Letter of Allotment of the shares to be transferred and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the shares, and upon payment of the proper fee to the Company, the transferee shall (subject to the right of the Board to decline to register hereinafter mentioned) be registered as a member in respect of such shares. The Board may waive the production of any certificate upon evidence satisfactory to it of its loss or destruction.

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

40. (1) The Board may decline to recognise any instrument of transfer if –
- (a) the instrument of transfer is not accompanied by the instrument of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor;
  - (b) the instrument of transfer is in respect of more than one class of share; or
  - (c) it is for transfer of any partly paid share or any share on which the Company has a lien.

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

- (d) it is for transfer of less than 50 (fifty) Equity Shares of the Company, provided, however this will not apply to -
- (i) a transfer of equity shares made in pursuance of any Statutory provision or an order of a Court of Law;
  - (ii) the transfer of the entire Equity Shares by an existing Equity Shareholder holding less than 50 (Fifty) Equity Shares by a single transfer to a single or joint names ;
  - (iii) the transfer of the entire Equity Shares of an existing Equity Shareholder holding less than 50 (Fifty) Equity Shares on one or more transferees whose holding in the Company will not be less than 50 (Fifty) Equity Shares each, after the said transfer ;
  - (iv) the transfer of not less than 50 (Fifty) Equity Shares in the aggregate in favour of the same transferee in two or more transfer deeds submitted together within which one or more relates to transfer of less than 50 (Fifty) Equity Shares.

41. The registration of transfers may be suspended after giving due notice 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 forty-five days in any year, and not exceeding thirty days at any one time.

42. Shares in the company shall be transferred in the form for the time being prescribed under the rules framed under the Act. No fee will be charged for registration of transfer, grant of probate, letter of administration, power of attorney, Certificate of death or marriage or similar other documents.

## XII TRANSMISSION

43. The executors or administrators or the holder of succession certificate in respect of shares of a deceased member (not being one or several joint holders) shall be the only persons whom the Company shall recognise as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint-holder of any registered shares, the survivors shall be the only persons recognised by the company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of deceased joint holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator or legal heir the Board may require him to obtain a grant of probate or letter of administration or succession certificate or other legal representation as the case may be, from competent Court ;

Provided nevertheless that in any case where the Board in its absolute discretion think fit it may dispense with production of probate or letter of administration or a succession certificate or such other legal representation upon such terms as to indemnify the Company or otherwise as the Board may consider desirable.

Provided also that the holder of a succession certificate shall not be entitled to receive any dividend already declared but not paid to the deceased member unless the succession certificate declares that the holder thereof is entitled to receive such dividends.

44. Any person becoming entitled to a share in consequence of the death, lunacy or insolvency of a member may, upon producing such evidence of his title as the Board thinks sufficient, be registered as a member in respect of such shares ; or may, subject to the regulations as to transfer herein before contained, transfer such shares.

45. A person becoming entitled to a share by reason of the death or involency 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 moneys payable in respect of the share, until the requirements of the notice have been complied with.

46. If the person so becoming entitled to shares under preceeding Articles shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other person he shall execute an instrument of transfer in accordance with the provisions of these Article relating to the transfer of shares. All the limitations, restrictions and provisions or these Articles

relating to the right of transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid.

#### 46(A) Notification by Nominees

Any person who is a nominee by virtue of the provisions of Section 109A of the Act, upon production of such evidence, as may be required by the Board, elect either :

- (a) to be registered himself as holder of the shares, debentures or other securities or deposits as the case may be, or,
- (b) to make such transfer of shares or debentures, as the deceased shareholder or debenture holder, as the case may be could have made. Such nominees shall give to the Company, a notice in writing, signed by him giving the details as prescribed and accompanied with the death certificate of the deceased shareholder or debenture holder or deposit holder as the case may be. The Board may at any time give notice requiring any such person to elect either to be registered as holder himself or to transfer the shares or debentures, if the notice is not complied with within ninety days of its service or such other duration as the Board may decide, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the notice has been duly complied with.

#### 46 (B) Applicability of Depositories Act

Nothing contained in Section 108 of the Act or the provisions contained in these Articles of Association shall apply to the transfer of shares, debentures or other securities effected by the transferor or transferee, both of whom are entered as Beneficial Owners in the record of the Depository, provided that in respect of the shares, debentures and other securities held by the Depository on behalf of a Beneficial Owner, Section 153, 153A, 153B, 187B and 187C of the Act, shall not apply.

47. The Articles providing for the transfer and transmission of shares, shall mutatis mutandis apply to transfer and transmissions of Debentures of the Company.

### XIII ALTERATION IN CAPITAL

48. The Company in General Meeting by ordinary resolution may -

- (a) Increase its authorised share capital by such amount as it thinks expedient by creating new shares.
- (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its capital by the amount of the shares so cancelled.
- (d) Subdivide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum of Association subject to the provisions of Section 94 (1)(d) of the Act.
- (e) reduce its capital in any manner authorised by Section 100 to 105 of the Act.

The powers conferred by this Article may be exercised by an ordinary resolution, except in the case of reduction of capital when the exercise of the power in that behalf shall be by a special resolution. The Company shall give due notice to the Registrar of any such alteration in capital.

### XIV STOCKS

49. The Company in General Meeting may convert any paid up shares into stock and re-convert any stock into paid up shares of any denominations.

50. When any share has been converted into stock the several holders of such stock may, thenceforth, transfer their respective interests therein or any part, of such interests in the same manner, and subject to the same regulations, as would have applied to the transfer of the shares from which the stock arose or as near thereto as circumstances would admit. The Board may, from time to time, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum.

51. The holders of stock shall, according to the amount of the 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 dividend and profits of

the Company) shall be conferred by any such part of stock as would not, if existing in shares, have conferred that privilege or advantage.

52. Such of the Articles of the company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "share-holder" therein shall include "Stock" and "Stock-holder" respectively.

## **XV SHARE WARRANTS**

53. The Company may issue share warrants subject to, and in accordance with, the provisions of section 114 and 115 of the Act ; and accordingly the Board may in its discretion, with respect of any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

54. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of member as the holder of the shares included in the deposited warrant.

(2) Not more than one person shall be recognised as depositor of the share warrant.

(3) The company shall, on two days' written notice, return the deposited share warrant to depositor.

55. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the company, or attend or vote or exercise any other privilege of a member at a meeting of the company, or be entitled to receive any notice from the company.

(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holder of the share included in the warrant, and he shall be member of the company.

56. The Board may, from time to time, make rules as to the terms of which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

## **XVI GENERAL MEETINGS**

57. (1) The Company shall hold statutory meeting and annual general meetings as provided under section 165 and 166 of the Act.

(2) All general meetings other than annual general meeting shall be called extra-ordinary general meetings.

58. (1) The Board may, whenever it thinks fit, call an extra-ordinary general meeting.

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

## **XVII PROCEEDINGS AT GENERAL MEETINGS**

59. (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.

(2) Save as herein otherwise provided, five members present in person shall be a quorum.

60. The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.

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

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

63. (1) The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (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.
- (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.
- (4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
64. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a second or casting vote.
65. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

### **XVIII VOTES OF MEMBERS**

66. 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 as laid down in section 87.
67. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted in the exclusion of the votes of the other joint holders.
- For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
68. 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.
69. 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.
70. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
71. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
72. An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances permit.
73. 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.

## **XIX DIRECTORS**

74. The persons hereinafter named are the Directors of the Company at the time of adoption of these articles :

1. Sri U Kanoria
2. Sri A Doshi
3. Sri R K Kalaria
4. Sri D Arya

75. Unless otherwise determined by the Company in a General Meeting, the number of Directors shall not be less than three and more than twelve.

76. The Directors of the Company are not required to hold any share in the Company as qualification shares.

77. (1) Each Director shall be entitled to receive out of the funds of the Company for his services in attending meetings of the Board or a committee of the Board, a fee not exceeding maximum permissible amount per meeting of the Board or a Committee of the Board attended by him in accordance with the limits as specified in Rule 10B of the Companies (Central Government) General Rules and Forms, 1956, or any change in it from time to time and in addition, subject to the provisions of Section 309, all the Directors may receive a commission upto three percent (3%) on the net profits of the company as computed under the provisions of the Companies Act, 1956, and such commission shall be divided amongst them equally or as the Directors may determine. The Directors may waive or reduce their fee for any meeting or period.

(2) Any Director performing extra services or making any special exertion for any of the purposes of the company or who is a managing or whole time director, may be paid such fixed sum or remuneration either by way of monthly payment or at a specified percentage of profit or in any other manner as the Company may determine, subject to the provisions of the Act.

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

(4) In addition to the remuneration payable to them in pursuance of the Articles 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.

78. The Board may pay all expenses incurred in registering the company.

79. The company may exercise the powers conferred on it by sections 157 and 158 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any such register.

80. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company shall be signed, drawn, accepted, endorsed, or otherwise, executed, as the case may be by the Managing Director or by such person and in such manner as the Company in General Meeting or the Board shall from time to time by resolution determine.

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

82. (1) 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.

(2) Such person shall hold office only upto 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.

83. (1) The Board of Directors shall also have power to fill a casual vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy had occurred.

(2) The Board may appoint any person to act as an alternate director for a Director during the latter's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meeting and to attend and vote thereat accordingly; but he shall "ipso facto" vacate office, if and when the absent Director returns to the State in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

84. If it is provided by any agreement, deed or other documents securing or otherwise in connection with any loan taken by the Company or in connection with taking of any shares by any person, that any such person or persons shall have power to nominate a Director on the Board of Directors of the company then and in case of taking of any such loan or shares or entering into such agreement the person or persons having such power may exercise his power from time to time and appoint a Director accordingly. Such Director may be removed from Office at any time by the person or persons in whom the power under which he was appointed is vested and another Director may be appointed in his place but while holding such office he shall not be liable to retire by rotation nor hold any qualification shares.

## XX PROCEEDINGS OF BOARD

85. (1) The Board of Directors may meet for the despatch of business, adjourn and other-wise regulate its meetings, as it thinks fit, subject to the provisions of section 285 of the Act.

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

86. (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.

(2) In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

87. 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.

88. (1) The Board may elect a chairman of its meetings and determine the period for which he is to hold office.

- (2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be the chairman of the meeting.
- 89. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to a committee consisting of such member or members of its body as it thinks fit.
- (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.
- 90. (1) A committee may elect a chairman of its meetings.
- (2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the meeting.
- 91. (1) A committee may meet and adjourn as it thinks proper
- (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairman shall have a second or casting vote.
- 92. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 93. Save as otherwise expressly provided in the Act, a resolution in writing, signed by the members of the Board or of a committee thereof, in accordance with the provisions of section 289, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

## **XXI POWERS OF DIRECTORS**

- 94. Subject to the provisions of the Act the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which it directed or required, whether by the Act or any other Statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in general Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other Statute or in the memorandum of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in General Meeting and no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

- 95. Subject to and in accordance with the provisions of the Act, the Board shall retain and employ such staff as may be necessary for carrying on the business of the Company. The salary or other remuneration of such staff shall be defrayed by the Company, and all or any of such staff be engaged exclusively for the company or jointly with other concerns.

## **XXII BORROWING POWERS**

- 96. (1) The Board may from time to time at its discretion, subject to the provisions of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company.



- (2) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds perpetual or redeemable debentures or debenturestock, or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

97. If any uncalled capital of the company is included in or charged by any mortgage or other security, the Board may by instrument under the Company's seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to collect money in respect of calls made by the Board on members in respect of such uncalled capital and the provisions hereinbefore contained in regard to call shall *mutatis mutandis* apply to calls made under such authority; and such authority may be made exercisable either conditionally or unconditionally, either presently or contingently and either to the exclusion of the Directors power or otherwise and shall be assignable if expressed so to be.

98. Debentures, bonds and other securities may be made assignable, free from any equities, between the Company and the persons to whom the same may be issued.

99. Subject to the provisions of the Act any debenture, bonds or other securities may be issued by the Company at a discount, premium or otherwise, with any special privileges as to redemption, surrender, drawings, shares, appointment of Directors or otherwise. Debentures and bonds with right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting and compliance of the provisions of the Act.

### **XXIII MANAGING DIRECTOR, MANAGER OR SECRETARY**

100. Subject to the provisions of the Companies Act, 1956 the company in general meeting or the Director may at any time appoint one or more Directors as Managing Director or whole time Director on such remuneration, terms and conditions as may be decided by them or such meeting. A whole time or Managing Director shall not be liable to retire by rotation.

101. Subject to the provisions of the Act a manager or secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or secretary so appointed may be removed by the Board.

102. Subject to the provisions of Section 269 and 314 of the Act a Director may be appointed as manager or secretary.

103. A provision of the Act or these Articles requiring or authorising a thing to be done by a director and the manager or secretary shall not be satisfied by its being done by the same person acting both as director and as, or in place of the manager or secretary.

### **XXIV THE SEAL**

104. (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 Secretary or such other person as the Board may appoint for the purpose; and the director and Secretary or other person aforesaid shall sign on every instrument to which the seal of the company is so affixed in his presence, subject to the provisions of Article 10 hereof, in respect of share certificates.

(3) The company may exercise the powers conferred by section 50 with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

## XXV DIVIDENDS AND RESERVES

105. The company in annual general meeting may declare dividend, but no dividend shall exceed the amount recommended by the Board.
106. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
107. (1) Subject to the provision of the act, The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provisions 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 investment (other than shares in the Company) as the Board may, from time to time, think fit.
- (2) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
108. (1) Subject to the rights of persons, if any, entitled 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 nominal amounts of the shares.
- (2) No amount paid or credited as paid on a shares in advance of calls shall be treated for the purposes of this Article as paid on the share.
- (3) Unless otherwise decided by the Board 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.
109. 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 in the company.
110. No unclaimed or unpaid dividend shall be forfeited by the Board and all dividends remaining unpaid shall be dealt with in the manner as provided under Section 205A of the companies Act, 1956.
111. (1) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct.
- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
112. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.
113. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
114. No dividend shall bear interest against the company except as provided under Law.

## XXVI ACCOUNTS

115. (1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- (2) No member (not being a director) shall have any right of inspecting any account or book or documents of the company except as conferred by law or authorised by the Board or by the company in general meeting.

## XXVII CAPITALISATION OF PROFITS

116. (1) The company 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) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) either in or towards -
- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid ;
- or
- (iii) partly in way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A share premium account and a capital redemption reserve fund may, for the purposes of these Articles be applied only 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 these Article.
117. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall -
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares ; and
  - (b) generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power -
- (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions; and also
  - (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 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 the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.

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

## **XXVIII WINDING UP**

118. (1) 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.
- (2) 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.
- (3) 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 as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities where on there is any liability.

## **XXIX MEMBERS**

119. Every person who is a subscriber to the Memorandum and Articles and/or who intends to be or becomes a member of the Company shall, subject to the provisions of any law in force, be bound by the provisions of the Memorandum and Articles of the company and any matter of dispute arising between the company and any such person as regards mutual rights, obligations or otherwise shall be subject to the jurisdiction of the court having jurisdiction over the registered office of the company in respect to the disputed matter.

## **XXX INDEMNITY**

120. Subject to the provisions of the Section 201 every officer or agent for the time being of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 633 in which relief is granted to him by the court.

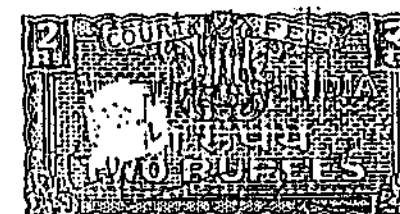
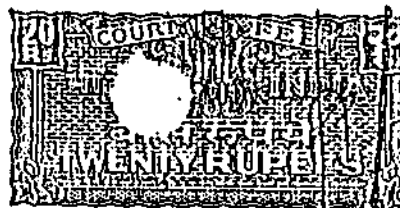
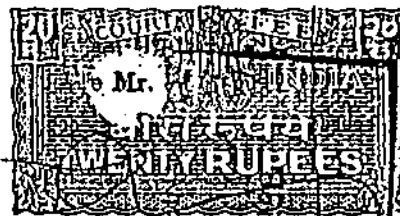
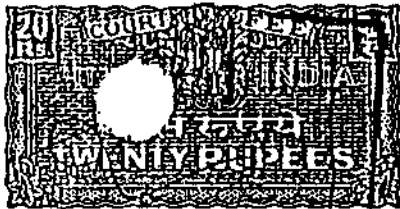
We, the several persons whose name and addresses are subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association, and we respectively, agree to take the number of shares in the Capital of the Company set opposite to our respective names.

Names, Addresses, Description & Occupation of Subscribers	Number of Equity Shares taken by each Subscriber	Names, Addresses Description & Occupation of Witness
GOVIND RAM BANKA 24, Ballygunge Park Road Calcutta 700 019 Service	25 (Twenty five)	
LAKHI PRASAD SARAOGI 170, Chittaranjan Avenue Calcutta 700 007 Service	25 (Twenty five)	
ASHOK KUMAR NANGALIA C/o. Reliance Jute Mills P. O. Bhatpara 743 123 Dist. 24 Parganas (W.B.) Service	25 (Twenty five)	Witness to all signatories KRISHAN KUMAR PATODIA 50, Pathuria Ghat Street Calcutta 700 006 Service
RAMESH KUMAR KAJARIA P-221, C I T Road Scheme No. VII M Calcutta 700 054 Service	25 (Twenty five)	
Total Shares taken	100 (One hundred)	

Calcutta, dated 4th day of October, 1991

Company Petition No.523 of 1997  
Connected with  
Company Application No.536 of 1997  
In the High Court at Calcutta  
Original Jurisdiction

8-27<sup>4</sup>/<sub>98</sub>



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In the Matter of :  
The Companies Act, 1956.

And

In the Matter of :  
An application under Sections  
391(2) and 394 of the said  
Act.

And

In the Matter of :  
Bengal Tea & Fabrics Limited,  
a Company incorporated under  
the provisions of the  
Companies Act, 1956, having  
its registered office at 9,  
Biplabi Trailokya Maharaj  
Sarani (formerly Braburne  
Road), Calcutta 700 001,  
within the aforesaid  
jurisdiction.

And

Tuscon Resources Limited, a  
Company incorporated under the  
provisions of the Companies  
Act, 1956, having its  
registered office at 9,  
Biplabi Trailokya Maharaj  
Sarani (formerly Brabourne  
Road), Calcutta 700 001,  
within the aforesaid  
jurisdiction.

1. Bengal Tea & Fabrics  
Limited
2. Tuscon Resources Limited  
..... Petitioners.

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

President of the Union of India

Stamp  
of  
Rs.3/-

In the matter of the Companies Act 1956.  
and

In the matter of an application under sections 391(2)  
and 394 of the said Act.

And

In the matter of Bengal Tea & Fabrics Ltd. a company incorporated under the provisions of the companies Act, 1956 having its registered office at 9, Biplabi Trailokya Maharaj Sarani (Formerly Brabourne Road) Calcutta 700 001 with in the aforesaid Jurisdiction.

and

Tuscon Resources Limited a Company incorporated under the provisions of the companies Act 1956 having its registered office at 9, Biplabi Trailokya Maharaj Sarani, (formerly Brabourne Road) Calcutta 700 001 within the aforesaid Jurisdiction.

1. Bengal Tea & Fabrics Ltd.
2. Tuscon Resources Ltd - petitioners

The Honourable Mr Justice  
Sujit Kumar Sinha

The above Petition coming on for hearing on this day upon reading the said Petition the Order dated the Fifteenth day of September in the year one thousand nine hundred and ninety seven the abovenamed petitioner No. 1 Bengal Tea & Fabrics Limited (hereinafter referred to as the said applicant company No.1) and the above named Petitioner No. 2 Tuscon Resources Limited (hereinafter referred to as the said applicant No. 2) were ordered to convene separate meetings of the Equity Shareholders of the said applicant company nos. 1 & 2 and the preference shareholders of the said applicant company no. 2 for the purpose of considering and if thought fit, approving with or without modifications the Scheme of arrangement proposed to be made between the said applicant company nos. 1 & 2 and their respective shareholders and annexed to the joint affidavit of Dinesh Arya and Umang Kanoria filed on the Eighth day of September in the year One thousand nine hundred and ninetyseven The Business Standard dated the third day of October in the year One thousand nine hundred and ninetyseven and The Aajkal dated the fourth day of October in the year one thousand nine hundred and ninetyseven containing the advertisement of the said notices convening the said meetings directed to be held by the said Order dated the fifteenth day of September in the year one thousand nine hundred and ninetyseven the affidavit of Dhanpat Singh and Atul Doshi filed on the fourth day of October in the year one thousand nine hundred and ninetyseven showing the publication and despatch of the said notices convening the said meetings the reports of the chairpersons of the said meetings all dated the tenth day of November in the year one thousand nine hundred and ninetyseven as to the result of the said meetings and upon reading on the part of the petitioner Company and an affidavit of Nanku Tewary filed on the Seventeenth day of December in the year one thousand nine hundred and ninetyseven and the exhibits therein referred to and upon reading the Order made herein and dated the nineteenth day of November in the year one thousand nine hundred and ninetyseven and upon hearing Mr. P. C. Sen (Mr. Aniket Agarawal and Mr. A. Ghose appearing with him) advocate for the petitioner Companies and Mr. S. K. Kundu Advocate for the Central Government And it appearing that the proposed Scheme of Arrangement has been approved by the requisite majority of the shareholders of the said applicant company Nos. 1 & 2 in accordance with law And it further appearing that there is no impediment in approving the Proposed Scheme of Arrangement.

This Court doth hereby Sanction the Scheme of Arrangement set forth in Annexure "A" of the petition herein subject to deletion of Clause 7 of Part III thereof and doth hereby declare the said Scheme of Arrangement as specified in the Schedule "A" hereto to be beginning with effect from First day of April in the year One thousand Nine hundred Ninetyseven (herein after referred to as the said appointed date) on the said applicant company Nos. 1 & 2 and their respective shareholders and all concerned.

**The Court doth Order**

1. That all the Property, rights and powers of the said applicant company no. 1 relating to the Maple Group including those specified in the first second and third parts of the Schedule 'B' hereto be transferred from the said appointed date and vest without further act or deed in the said applicant company no. 2 and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and vest in the said applicant company no. 2 for all the estates and interest of the said applicant company no. 1 therein but subject however to all charges now affecting the same and
2. That all the debts liabilities duties and obligations of the said applicant company no. 1 in or relating to the Maple Group be transferred from the said appointed date without further act or deed to the said applicant company no. 2 and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and become the debt liabilities duties and obligations of the said applicant no. 2 and
3. That all proceedings and/or suits and/or appeals now pending by or against the said applicant company no. 1 in respect of the said Maple Group be continued by or against the said applicant company no. 2 and
4. That the said applicant company no. 2 do issue and allot to the members of the said applicant no. 1 the shares in the said applicant company no. 2 to which they are entitled under Clause 8 of part II of the said Scheme of Arrangement and
5. That leave be and the same is hereby granted to the petitioner companies to file the Schedule of Assets of the said applicant company no. 1 as stated in paragraph 22 of the petition herein within a period of three weeks from the date hereof and
6. That the said petitioner companies do within a period of thirty days from the date hereof cause a certified copy of this Order to be delivered to the registrar of Companies, West Bengal for registration and
7. That any person interested shall be at liberty to apply to this court in the above matter for such directions that may be necessary and
8. That the petitioner companies do pay to the Central Government its costs of and incidental to this application assessed at one hundred gold mohurs and

Shri Probha Shanker Mishro Chief Justice at Calcutta this eighteenth day of February in the year one thousand nine hundred and ninetyeight

Witness aforesaid

Khaitan & Co.                      Advotates  
S. K. Kundu                        Advocate

Sd/- 20/4/98  
for Registrar

Note : Minutes dated nineteenth day of March in the year one thousand nine hundred and ninetyeight has been incorporated with this order.

Sd/ 20/4/98  
for Registrar



**SCHEDULE 'A' ABOVE REFERRED TO  
SCHEME OF ARRANGEMENT  
BETWEEN  
BENGAL TEA & FABRICS LIMITED  
AND  
TUSCON RESOURCES LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS**

**PART-1**

**1. DEFINITIONS :**

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings :

- A. "The Act" means The Companies Act, 1956.
- B. "The Appointed Date" means the 1st day of April, 1997.
- C. "BTFL" means Bengal Tea & Fabrics Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 9, Biplabi Trailokya Maharaj Sarani (formerly Brabourne Road), Calcutta 700 001, in the State of West Bengal.
- D. "TRL" means Tuscon Resources Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at 9, Biplabi Trailokya Maharaj Sarani (formerly Brabourne Road), Calcutta 700 001, in the State of West Bengal.
- E. "Maple Group" means the business divisions of BTFL comprising of all the respective business, undertaking, properties and liabilities of BTFL pertaining to the Mackeypore Tea Estate, Poloi Tea Estate and Asarwa Overseas Unit of BTFL, including ;
  - (a) all properties and assets, moveable and immoveable, real and personal, corporeal and incorporeal, tangible cultural lands measuring 635.67 hectares approximately at Poloi Tea Estate, District Cachar, Assam with all tea bushes and seedlings, nurseries, clones and other crops and trees whatsoever growing or standing thereon, bungalows, buildings, plant and machinery, vehicles, equipment, furniture, sundry debtors, inventories, cash and bank balances, bills of exchange, deposits as appearing in the books of account of BTFL and appertaining to the Maple Group, leases and agency of BTFL pertaining to the maple Group and all other interests or rights in or arising out of or relating to the Maple Group together with all respective rights, powers, interest, charges, privileges, benefits, entitlements, industrial and other licenses, registrations, quotas, trade marks, patents, copyrights, liberties, easements and advantages, appertaining to the Maple Group and/or which BTFL is entitled to in respect of the Maple Group of whatsoever kind, nature or description held, applied for or as may be obtained hereafter together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records relating to the Maple Group ;

- (b) all debts, liabilities, duties and obligations of BTFL pertaining to and/or arising out of the Maple Group, including liabilities on account of secured loans, sundry creditors, bonus, sales-tax, excise and other contingent liabilities pertaining to and/or arising out of the maple Group, whether or not provided for in the books of account of BTFL ; and
- (c) all the employees, respectively, of BTFL engaged in or in relation with the Maple Group.

#### WHEREAS:

1. BTFL has an authorised Share Capital of Rs. 20,00,00,000/- divided into 1,50,00,000 Equity Shares of Rs. 10/- each and 5,00,000 Redeemable Preference Shares of Rs. 100/- each ; an Issued and Subscribed Share Capital of Rs. 8,00,79,800/- divided into 80,07,980 Equity Shares of Rs. 10/- each ; and a Paid up Share Capital of Rs. 8,01,26,800/- divided into 80,07,980 Equity Shares of Rs. 10/- each fully paid up and a sum of Rs. 47,000/-, being the amount originally paid up on forfeited Equity Shares.
2. TRL has an Authorised Share Capital of Rs. 7,50,00,000/- divided into 74,50,000 Equity Shares of Rs. 10/- each and 5,000 Preference Shares of Rs. 100/- each and an Issued, Subscribed and paid up Share Capital of Rs. 5,00,000/- divided into 10,000 Equity Shares of Rs. 10/- each fully paid up and 4,000 13.5% Non Cumulative Redeemable Preference Shares of Rs. 100/- each fully paid up.
3. BTFL is a well established and diversified concern engaged in the business of manufacture and sale of textile goods and products through its 'Asarwa Mills' (comprising of a composite textile mill at Ahmedabad) and its 'Asarwa Overseas' Unit (comprising of a spinning mill at Village Walthera, District Ahmedabad) ; manufacture and sale of industrial yarn through its Industrial Yarn Unit at Dholka, District Ahmedabad ; and production and sale of tea through its Ananda Tea estate in District North Lakhimpur, Assam, Mackeypore Tea Estate in District Sibsagar, Assam, Pallorbund Tea Estate in District Cachar, Assam and Poloi Tea Estate in District Cachar, Assam.
4. TRL is engaged in the business of investing in shares and securities and providing finance. However, the present volume of the said business of TRL is not substantial and TRL has been looking at suitable proposals for diversification and expansion of its business.
5. It is considered desirable and expedient to reorganise and reconstruct BTFL and TRL by transferring the Maple Group of BTFL to TRL and rationalising and adjusting the capital structure of BTFL in the manner and on the terms and conditions stated in this Scheme of Arrangement.
6. The Scheme will enable independent and optimum growth and development of the businesses and undertakings of BTFL through two separate Companies with an independent management set up and greater focus and attention than can be brought to bear upon the same by a large concern having several activities and unit.
7. The Scheme will lead to the better and more efficient management of the businesses and undertakings of BTFL and assist in the exploitation of the potential of the Maple Group and remaining businesses and undertakings of BTFL as independent profit centres to the fullest extent.

8. The reduction of the Share Capital and Share premium Account of BTFL, as provided herein, will rationalise and adjust the relationship between the capital and assets of BTFL appropriately consequent to the transfer of the Maple Group to TRL hereunder.
9. The Scheme will have beneficial results for both the Companies, their shareholders and all concerned.

## PART II

1. With effect from the Appointed Date, the Maple Group of BTFL shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vest in and be deemed to have been transferred to and vested in TRL for all the estate and interest of BTFL therein, subject however to all charges, liens, lispendens, mortgages and encumbrances, if any, affecting the same or any part thereof.
2.
  - (a) All debts, liabilities, duties and obligations of BTFL relating to the Maple Group as on the close of business on the day immediately preceeding the Appointed Date, whether provided for or not in the books of account of BTFL and all other liabilities relating to the Maple Group which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceeding the Appointed Date shall become the debts, liabilities, duties and obligations of TRL and TRL undertakes to meet, discharge and satisfy the same to the exclusion of BTFL and to keep BTFL indemnified at all times from and against all such liabilities, duties and obligations and from and against all actions, demands and proceedings in respect thereto.
  - (b) All liabilities on account of income-tax, sales-tax or under other statutory provisions not relating exclusively to the Maple Group or the other businesses and undertakings of BTFL and which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceeding the Appointed Date shall be borne and paid by BTFL and TRL in the proportion of 2 : 1.
3.
  - (a) TRL undertakes to engage, on and from the date on which this Scheme becomes operative, all the employees of BTFL engaged in the Maple Group on the same terms and conditions on which they are engaged by BTFL without any interruption of service as a result of the transfer of the Maple Group to TRL. TRL agrees that the services of all such employees with BTFL prior to the transfer of the Maple Group to TRL shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.
  - (b) The accumulated balances, if any, standing to the credit of the employees of the Maple Group in the existing Provident Fund, Gratuity Fund and Superannuation Fund of which they are members will be transferred to such Provident Fund, Gratuity Fund and Superannuation Fund nominated by TRL and/or such new Provident Fund, Gratuity Fund and Superannuation Fund to be established and caused to be recognised by the concerned authorities by TRL. Pending the transfer as aforesaid, the Provident Fund, Gratuity Fund Superannuation Fund dues of the employees of the Maple Group would be continued to be deposited in the existing Provident Fund, Gratuity Fund and Superannuation Fund respectively.
4. All legal or other proceedings by or against BTFL and relating to the Maple Group shall be continued and enforced by or against TRL only.

5. With effect from the Appointed Date and upto and including the date on which the Maple Group is duly transferred to TRL, as provided herein :
  - (a) BTFL undertakes to carry on the business of the Maple Group in the ordinary course of business and BTFL shall be deemed to have carried on and to be carrying on all business and activities relating to the Maple Group for and on account of and in trust for TRL.
  - (b) All profits accruing to BTFL or losses arising or incurred by it relating to the Maple Group for the period falling on and after the Appointed Date shall for all purposes, be treated as the profits or losses, as the case may be of TRL and BTFL undertakes not to utilise the profits, if any, relating to the Maple Group for the purpose of declaring or paying any dividend in respect of the period falling on and after the Appointed date.
  - (c) BTFL shall be deemed to have held and stood possessed of the properties so to be transferred to TRL and on account of and in trust for TRL and, accordingly, BTFL shall not (without the prior written consent of TRL) alienate, charge or otherwise deal with or dispose off the Maple Group or any part thereof except in the usual course of business.
6. The transfer and vesting of the properties and liabilities of Maple Group under clauses 1 and 2 hereof and the continuance of the proceedings by or against TRL under clause 4 hereof shall not affect any transaction or proceeding already completed by BTFL on and after the Appointed date to the end and intent that TRL accepts all acts, deeds and things done and executed by and/or on behalf of BTFL as acts deeds and things done and executed by and on behalf of TRL.
7. Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to Maple Group to which BTFL is a party subsisting or having effect immediately before this Scheme becomes operative shall remain in full force and effect against or in favour of TRL and may be enforced as fully and effectually as if instead of BTFL, TRL had been a party thereto.
8. Upon this Scheme becoming operative and transfer and vesting of Maple Group to TRL taking place pursuant to clause 1 and 2 hereof, TRL shall, without further application, issue and allot, to the members of BTFL and/or their nominees, 13 (thirteen) Equity Shares of Rs. 10/- each in TRL, credited as fully paid for every 20 (Twenty) Equity Shares of Rs. 10/- each fully paid up held by the said members in the existing Share Capital of BTFL. If the reduction and consolidation of the Share Capital of BTFL, as provided in paragraph 10 hereunder, becomes effective prior to issue and allotment of Equity Shares in TRL pursuant to this clause, the ratio in which such shares in TRL shall be allotted shall be 13 (Thirteen) Equity Shares of Rs. 10/- each in TRL for every 10 (Ten) Equity Shares of Rs. 10/- each in the reduced Share Capital of BTFL.
9.
  - (a) The Equity Shares to be issued by TRL to the members of BTFL, as aforesaid, shall rank paripassu in all respects with the existing Equity Shares of TRL.
  - (b) No fractional certificates shall be issued by TRL in respect of the fractional entitlements, if any, to which the members of BTFL may be entitled to under Clause 8 above. All such fractional entitlements shall be consolidated into whole shares and be allotted to one of the directors of TRL or such other person as may be nomi-

nated by the Board of Directors of TRL as a Trustee for sale thereof at such price as may be approved by the Board of Directors of TRL in this regard and the net proceeds of such sale shall be distributed to the persons entitled thereto in proportion to their respective fractional entitlements.

10. (a) The Share Capital of BTFL shall be reduced from Rs. 8,01,26,800/- (divided into 80,07,980 Equity Shares of Rs. 10/- each fully paid up and Rs. 47,000/-, being the amount originally paid up on forfeited Equity Shares) to Rs. 4,00,86,900/- by cancelling capital to the extent of Rs. 5/- per share in respect of the 80,07,980 fully paid Equity Shares of Rs. 10/- each.
- (b) Simultaneously with such reduction becoming effective, the resulting 80,07,980 fully paid up Equity Shares of Rs. 5/- each shall be consolidated into 40,03,990 fully paid up Equity Shares of Rs. 10/- each and the fractional entitlements, if any, which do not constitute whole Equity Shares shall be also simultaneously consolidated and allotted to a trustee to be appointed by the Board of BTFL for sale thereof and payment of net proceeds to the persons entitled to the fractions in proportion to their respective entitlements.
- (c) The Share Premium Account of Rs. 11,71,36,000/- shall be reduced to Rs. 1,40,000/- by cancelling the same to the extent of Rs. 11,69,96,000/-, being the aggregate amount of share premium paid on Equity Shares other than forfeited Equity Shares.
11. The liability under the existing 25,000 17% Debentures (Part B) of Rs. 1,000/- each issued by BTFL, redeemable in four equal installments at the end of 4th, 5th, 6th and 7th years from January 5, 1994 and secured by charge on all the immovable and moveable properties pertaining to the Asarwa Mills, Asarwa Overseas Unit and Industrial Yarn of BTFL shall also be taken over by TRL and TRL will endorse on the Debenture Certificates for the said 25,000 17% Debentures (Part B) of Rs. 1,000/- each, such transfer of liability and in that event such Debenture Certificates for the said debentures shall be deemed to have been issued by TRL on the same terms and conditions. Upon the said debentures being so endorsed by TRL, TRL shall take all necessary steps to have the charge over the Asarwa Overseas Unit recorded in the register of Charges of TRL in the Registrar of Companies.
12. (a) For the purposes of this Scheme, a Statement of Account as on the date preceeding the Appointed Date shall be drawn up in respect of the assets and liabilities of the Maple Group to be transferred as per this Scheme on the basis of the books of account of BTFL relating to the Maple Group, as audited by auditors. In such statement of Account all assets and liabilities shall be taken at their respective book values as appearing in the said books of account of BTFL. The said assets and liabilities of BTFL shall be incorporated in the books of account of TRL at the said values. The difference between the assets and liabilities as appearing from the said statement of Account and the aggregate face value of the Equity Shares to be issued and allotted by TRL as per Clause 8 above shall to the extent of Rs. 62,50,000/- be credited in the books of account of TRL to a reserve to be named and called the 'Debenture Redemption Reserve' of TRL and the balance shall be credited to the general reserves of TRL.
- (b) In the books of account of BTFL, the difference between the said assets and liabilities, as appearing from the aforesaid statement of account and as reduced by the aggregate amount of the aforesaid reduction of Capital and Share Premium Account of BTFL, shall be adjusted first from Debenture Redemption reserve of BTFL and the balance shall be adjusted from the General Reserves of BTFL.

### **PART III**

1. BTFL and TRL shall make necessary application before the Hon'ble High Court at Calcutta for the sanction of this Scheme of Arrangement.
2. Save and except the Maple Group of BTFL and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the rest of the assets, liabilities and business of BTFL which shall continue to belong to and be vested in and be managed by BTFL.
3. BTFL and TRL (through their respective Board of Directors) and in their full and absolute discretion, may assent to any alteration or modification to this Scheme which the Courts and/or any other authority may deem fit to approve or impose and may further give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in any manner connected therewith.
4. This Scheme is conditional upon the same being sanctioned by the Hon'ble High Court at Calcutta and shall become operative on the date or last of the dates on which certified copies of the order of the Hon'ble High Court at Calcutta sanctioning this Scheme are filed with the Registrar of Companies, West Bengal by both, BTFL and TRL.
5. BTFL and/or TRL shall each be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any authority is unacceptable to them.
6. All costs, charges and expenses incurred in carrying out and implementing the terms and provisions of this Scheme and incidentals thereto including those incurred during negotiations leading to the Scheme shall be borne by BTFL and TRL in the ratio of 2:1.

sd/- 20/4/98  
for Registrar

Schedule "B" above referred to

**SCHEDULE OF ASSETS**

of Bengal Tea & Fabrics Limited (BTFL) to be transferred to Tuscon Resources Ltd.

**PART - I**

Short description of free-hold properties of Bengal Tea & Fabrics Ltd.

**Factory Premises**

All those pieces or parcels of land admeasuring 1,49,935.854 Square metres in the aggregate at Walthera District Ahmedabad in the State of Gujarat comprised in three blocks (Block Nos. 93, 112 and 120) being butted and bounded and bearing respective areas as follows :

**Block No. 120**

Bounded on the East	by Plot no. 121
Bounded on the West	by Plot no. 113 and 118
Bounded on the North	by Plot no. 112 and Dholka Bagodra Highway
Bounded on the South	by Dhokla Bagodra Highway and Plot Nos. 119 and 122

**Block No. 112**

Bounded on the East	by Plot no. 11
Bounded on the West	by Plot no. 113 and 114
Bounded on the North	by Plot no. 93
Bounded on the South	by Plot no. 120

**Block No. 93**

Bounded on the East	by Plot no. 94
Bounded on the West	by Plot no. 92
Bounded on the North	by Plot no. 95 & 91
Bounded on the South	by Plot no. 112

Total Area of Plot no. 120	44313.036	Sq. Metres
Total Area of Plot no. 112	72135.126	Sq. Metres
Total Area of Plot no. 93	38950.950	Sq. Metres
	<hr/> 155399.112	Sq. Metres
Less : Area in State Highway Road	5463.258	Sq. Metres
Total Area	<hr/> 149935.854	Sq. Metres

**B. Office No. 207.**

All that 5 (Five) Shares bearing nos. from 045 to 049 (both Inclusive) for Rs. 100/- each of Subharambh Non Trading Association and all that right title and interest as member thereof in all that pieces or parcels of freehold land or ground with messages, tenements, buildings and structures standing thereon or any part thereof or to be erected thereon or any part thereof situate lying and being at Moje Kochrab, Taluka, city in the Registration District and Sub-district of Ahmedabad bearing Final Plot No. 616 of

Ellisbridge Town Planning Scheme No. 3 (varied) totally admeasuring 2085 Sq. metres or 2494 Sq. yds. Or thereabouts together with premises no. 207 on the Second Floor in Shitiratna Building, admeasuring about 656 Sq. Feet. (Super Built - up Area)

C. Office no. 208

All that 5 (five) Shares bearing nos. from 040 to 044 (both Inclusive) for Rs. 100/- each of Subharambh Non Trading Association and all that right title and interest as member thereof in all that pieces or parcels of freehold land or ground with messages, tenements, buildings and structures standing thereon or any part thereof or to be erected thereon or any part thereof situate lying and being at Moje Kochrab, Taluka, city in the Registration District and Sub-district of Ahmedabad bearing Final Plot No. 616 of Ellisbridge Town Planning Scheme No. 3 (varied) totally admeasuring 2085 Sq. metres or 2494 Sq. yds. Or thereabouts together with premises no. 208 on the Second Floor in Shitiratna building, admeasuring about 917 Sq. Feet. (Super Built - up Area)

D. Office no. 209

All that 5 (five) Shares bearing nos. from 050 to 054 (both Inclusive) for Rs. 100/- each of Subharambh Non Trading Association and all that right title and interest as member thereof in all that pieces or parcels of freehold land or ground with messages, tenements, buildings and structures standing thereon or any part thereof or to be erected thereon or any part thereof situate lying and being at Moje Kochrab, Taluka, city in the Registration District and Sub-district of Ahmedabad bearing Final Plot No. 616 of Ellisbridge Town Planning Scheme No. 3 (varied) totally admeasuring 2085 Sq. metres or 2494 Sq. yds. Or thereabouts together with premises no. 209 on the Second Floor in Shitiratna building, admeasuring about 624 Sq. Feet. (Super Built - up Area)

E. Office no. 210

All that 5 (five) Shares bearing nos. from 055 to 059 (both Inclusive) for Rs. 100/- each of Subharambh Non Trading Association and all that right title and interest as member thereof in all that pieces or parcels of freehold land or ground with messages, tenements, buildings and structures standing thereon or any part thereof or to be erected thereon or any part thereof situate lying and being at Moje Kochrab, Taluka, city in the Registration District and Sub-district of Ahmedabad bearing Final Plot No. 616 of Ellisbridge Town Planning Scheme No. 3 (varied) totally admeasuring 2085 Sq. metres or 2494 Sq. yds. Or thereabouts together with premises no. 210 on the Second Floor in Shitiratna building, admeasuring about 580 Sq. Feet. (Super Built - up Area)

F. Office no. 108

All that 5 (five) Shares bearing nos. from 125 to 129 (both Inclusive) for Rs. 100/- each of Subharambh Non Trading Association and all that right title and interest as member thereof in all that pieces or parcels of freehold land or ground with messages, tenements, buildings and structures standing thereon or any part thereof or to be erected thereon or any part thereof situate lying and being at Moje Kochrab, Taluka, city in the Registration District and Sub-district of Ahmedabad bearing Final Plot No. 616 of Ellisbridge Town Planning Scheme No. 3 (varied) totally admeasuring 2085 Sq. metres or 2494 Sq. yds. Or thereabouts together with premises no. 108 on the First Floor in Shitiratna building, admeasuring about 917 Sq. Feet. (Super Built - up Area)

G. Factory Building, Godown, Air Condition and Humidification plant staff quarters and Residential Complex and other structures lying and/or being situated at the aforesaid factory premises of BTFL at Walthera in the State of Gujarat.



## PART - II

### Short description of lease - hold properties of BTFL

#### A. Land held by BTFL on lease in the State of Assam :-

Lease/Patta	Date	Period	Village	Mouza	B	Area		Area in
						K	L	Hectares
<b>I. MACKEYPORE TEA ESTATE</b>								
Free Simple Grant Patta No. 1	Dec/90	30 Yrs	Hatiputty	Atkhel-	2939	4	15	393.40
Jungle Bari Grant Patta No. 1	Dec/90	30 Yrs	Hatiputty	Atkhel-	1161	3	12	155.45
Tea Periodic Patta No. 1	Dec/90	30 Yrs	Hatiputty	Atkhel-	76	1	10	10.21
K.P.R. No. 1 (New)) No. 10 (Old))	Dec/90	30 Yrs	Hatiputty	Atkhel-	18	3	8	2.50
Jungle Bari No. 4, 13, 7 (Part) PKP No. 1	Dec/90	30 Yrs	Satsai	Atkhel-	1195	2	14	159.98
Free Simple Grant No. 8 (Periodic Patta No. 1)	Dec/90	30 Yrs	Satsai	Atkhel-	828	4	11	110.92
Jungle Bari Grant No.-5, 7, 14 P/P-No. 1	Dec/90	30 Yrs	Satsai	Nazira-	624	3	16	83.60
Free Simple Grant No.-8 P.P-1	Dec/90	30 Yrs	Satsai	Nazira-	1157	2	18	154.90
Tea Periodic Patta No. 1	Dec/90	30 Yrs	Fulanbari	Atkhel-	155	2	13	20.81
Tea Periodic Patta No. 1	Dec/90	30 Yrs	Haluagaon	Nazira-	1168	1	6	156.33
General Myadi Patta No-111	Dec/90	30 Yrs	Haluagaon	Nazira-	66	1	12	8.87
<b>Total (A)</b>					<b>9393</b>	<b>2</b>	<b>15</b>	<b>1256.97</b>
Lease/Patta	Date	Period	Village	Mouza	B	Area		Area in
						K	L	Hectares
Periodic Patta No.-1,2,3,36,85 & 80	Dec/90	30 Yrs	Adpuria	Atkhel-	3372	2	13	451.27
Annual Patta No. - 1	Dec/90	30 Yrs	Adpuria	Atkhel	16	1	8	2.18
Annual Patta No. 28	Dec/90	30 Yrs	Adpuria	Atkhel	2	0	0	0.27
Periodic Patta No. 182	Dec/90	30 Yrs	Rajabheta	Atkhel	1902	3	16	254.61
Annual Patta No. 2	Dec/90	30 Yrs	Rajabheta	Atkhel	42	2	12	5.66
Periodic Patta No.-2, 42 & 96	Dec/90	30 Yrs	Mithonsoa	Atkhel	27	2	10	3.65
<b>Total (B)</b>					<b>5363</b>	<b>2</b>	<b>19</b>	<b>717.64</b>
<b>Grand Total (A+B)</b>					<b>14757</b>	<b>0</b>	<b>14</b>	<b>1974.61</b>

## II. POLOI TEA ESTATE

Lease/Patta	Date	Period	Village	Mouza	B	Area K L		Area In Hectares
Tea Periodic Patta-1	30/3/91	30 Yrs	Poloi Punji Chabagicha	Poloi Punji Chabagicha	4561	4	10	610.39
Tea Periodic Patta-1	30/3/91	30 yrs	Borojalinga Part-4	Borojalinga Part-4	569	18	15	76.24
Tea Periodic Patta-24	30/3/91	30 Yrs	Borojalinga Part-3rd	Borojalinga Part-3rd	150	5	5	20.10
Tea Periodic Patta-23	30/3/91	30 yrs	Borojalinga Part-11th	Borojalinga Part-11th	34	4	12	4.59
Tea Periodic Patta-61	30/3/91	30 Yrs	Borojalinga Part-11th	Borojalinga Part-11th	0	16	0	0.11
Tea Periodic Patta-10	30/3/91	30 Yrs	Borojalinga Part-9th	Borojalinga Part-9th	1032	3	7	138.13
Tea Periodic Patta-65	30/3/91	30 Yrs	Borojalinga Part-9th	Borojalinga Part-9th	6	0	0	0.80
Tea Periodic Patta-120	30/3/91	30 Yrs	Borojalinga Part-9th	Borojalinga Part-9th	167	19	4	22.49
					<b>6522</b>	<b>12</b>	<b>5</b>	<b>872.64</b>
Less : Land taken over by ONGC (Out of Patta No. 1 of Poloi Punji Cha Bagicha)					19	15	7	2.65
<b>Total</b>					<b>6502</b>	<b>16</b>	<b>14</b>	<b>870.20</b>

B. Building, Bungalows, Staff Quarters, Hospital Building, School Building, Office Building, Godowns, Leaf Weighing Sheds, Welfare Building, Labour Lines, Fencing, Oil tanks and other structures lying and/or being situated at Mackeypore Tea Estate and Poloi Tea Estate.

### PART - III

Short description of stocks, shares, debentures & other choses in action of BTFL

A. 1000 Unsecured Redeemable subordinated floating interest Rate bonds of Rs. 1000/- each of the State Bank of India bearing Regd. Folio No. 140395 and Certificate Nos and Distinctive Nos as follows :

<u>Certificate No.</u>	<u>Distinctive Nos.</u>
332903	686970
332904	686971
332905	686972
332906	686973
332907	686974
332908	686975
332909	686976
332910	686977
332911	686978
332912	686979
332913	686980
332914	686981
332915	686982
332916	686983
332917	686984
332918	686985
332919	686986
332920	686987
332921	686988
332922	686989
332923	686990-687969

B. 25 (twenty five) shares of Rs. 100 each in Subharambh Non Trading Association bearing Nos from 040 to 059 and 125 to 129

## C. Licenses and Registrations

1. Trade and Registration bearing nos.

Monkeypore Tea Estate: 254V, 2542

Polar Tea Estate: 223A.

## 2. Factory license bearing nos.

Monkeypore Tea Estate: 5215/26

Polar Tea Estate: CAC/35.

Asanwa Omnia's Waltham: 084978

## 3. Export License bearing nos.

Monkeypore Tea Estate: R/C no-01/Fee: S15-V/92

R/C no 02/PT: S16-V/92

Polar Tea Estate: 2/R690/Fee: S14-V/92

Asanwa Omnia's Waltham: 22010, 2202

Examined  
 27/4/98

Inspected  
 20/4/98  
 For Registration  
 11/

CERTIFIED TO BE A TRUE COPY

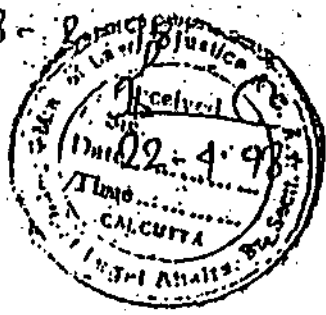
Sunita, Exman Day 27/4/98

Notarized by

70 of the  
 Indian Evidence Act of 1872

B. H. K. Singh

Reino a. Cpro.  
of the order of  
B-2



64 1/2  
C. P. No. 523 of 1997  
Connected with  
O. A. No. 536 of 1997

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

In the Matter of Companies Act, 1956

and

In the Matter of *Bengal Tea & Tobacco*  
*and others*

Order

of the 18<sup>th</sup> day of February 1998  
Filed this 22<sup>nd</sup> day of April 1998

- (i) Date of Appointment as copy 21.02.98 R
- (ii) Date of holding the Charges 23.4.98 R
- (iii) Date of holding the Charges 24.4.98 R
- (iv) Date on which the copy was  
Ready 27.4.98 R
- (v) Date of Making over the  
Copy to the Applicant 28.4.98 R

14

*K. S. Choudhury*

Superintendent,

Company Matters Department.

*Das* 27.4.98  
Section Officer  
High Court, Original Side  
Calcutta

K. S. Choudhury, P.C.

Attorney