

(THE COMPANIES ACT, 1956)

PUBLIC COMPANY LIMITED BY SHARES

**Memorandum**

**and**

**Articles of Association**

**of**

**GUNNY-CHEM-TEX INDIA LIMITED**

GUNNY CHEM TEX INDIA LIMITED

  
Director

## Certificate for Commencement of Business

Pursuant of Section 149 (3) of the Companies Act, 1956

Co. No. 35994 of 1983

I hereby certify that the GUNNY-CHEM-TEX INDIA LIMITED which was incorporated under the Companies Act, 1956 on the Fourth day of March, 1983 and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 149 (1) (a) to (d) / 149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at Calcutta this  
Twenty first day of March One thousand nine  
hundred and Eighty three.

Seal of the  
Registrar of  
Companies

**GUNNY CHEM TEX INDIA LIMITED**  
*[Signature]*  
Director

Sd/- M. L. SAH  
Registrar of Companies  
(West Bengal)



FORM I. R.

THE COMPANIES ACT, 1956

# CERTIFICATE OF INCORPORATION

MEMORANDUM OF ASSOCIATION

Co. No. 35994 of 1983

GUNNY-CHEM-TEX INDIA LIMITED

The name of the Company is GUNNY-CHEM-TEX INDIA LIMITED

The Registered Office of the Company will be situated in the State of West Bengal

I hereby certify that GUNNY - CHEM - TEX INDIA LIMITED  
is this day incorporated under the Companies Act, 1956 (No. 1 of  
1956) and the Company is Limited.

Given under my hand at Calcutta this Fourth day  
of March One thousand nine hundred and Eighty three.

GUNNY CHEM TEX INDIA LIMITED

*[Signature]*  
Director

Seal of the  
Registrar of  
Companies

Sd/- M. L. SAH  
Registrar of Companies  
(West Bengal)



**THE COMPANIES ACT, 1956**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**GUNNY-CHEM-TEX INDIA LIMITED**

- I. The name of the Company is **GUNNY-CHEM-TEX INDIA 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. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED ON ITS INCORPORATION ARE :
    1. To carry on the business as merchants, traders, commission agents, selling agents, purchasing agents, distributors, stockists, representatives, brokers, dealers, producers, processors or in any other capacity in India and elsewhere and to export, import, manipulate, barter, exchange, pledge, treat and deal in jute and jute goods, tea, coffee, tobacco, textiles, whether jute, cotton, wool, synthetic and other fibres and yarns and their products, handicrafts, piece of arts, jewellery, ornaments, sugar and vanaspati, oils (edible and non-edible), iron and steel, iron and steel products, hardware items, aluminium and aluminium products, plastic and plastic products, rubber and rubber products, dyes and chemicals, medicines, drugs and pharmaceutical items, engineering, goods, minerals, electronic items, musical and sports goods, cloth, dresses, garments, means of transport of all types, food products, live stocks, books, reading and educative materials, paper, paper board, straw board and its products, packaging materials, stationery goods, carpets, wood and wood products, furniture, glassware, potteries, ceramics, utensils and other domestic appliances and all other goods, articles and merchandise of every kind and description.
    2. To carry on business of underwriting in or dealing in shares, debentures or other securities as investment company and to invest in and acquire and hold and otherwise deal in shares, stocks, debentures, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, stocks, bonds, obligations obligation and securities issued or guaranteed by any Government, State dominion, sovereign, ruler, public body or authority, municipal, local or otherwise, whether in India or elsewhere and in land, buildings, offices and other properties (moveable or immoveable), plant and machineries, equipments, instruments, appliances, means of transport and to sell, let on lease or hire or deal in any other manner for such consideration as the company may think fit.

GUNNY-CHEM-TEX INDIA LIMITED

Director

GUNNY-CHEM-TEX INDIA LIMITED

Director



B. THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE MAIN OBJECTS :

1. To purchase or otherwise acquire, erect, maintain, reconstruct and adapt any building, workshop, mills, plant, machinery, accessories, offices and other things necessary or convenient for the purpose of the Company by adding to, altering, enlarging all or any of the buildings, premises and machinery for the time being the property of or in possession of the Company, and by expending from time to time such sums of money as may be necessary for the purpose of improving, adding to, altering, repairing and maintaining the building machinery and property for the time being of the Company.
2. To expend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.
3. To acquire from any person, firm or body corporate or incorporate, whether in India or elsewhere, technical information, knowhow, processes, engineering, manufacturing and operating data, plants, lay-outs and blue prints useful for the design, erection and operation of plant required for any of the businesses of the Company and to acquire any grant or licence and other rights and benefits in the foregoing matters and things.
4. To buy, lease or otherwise acquire, improve lands, buildings and other immovable properties and to sell, lease, mortgage or hypothecate or otherwise dispose of all or any of the properties and assets of the Company on such terms and conditions as the Company may think fit.
5. To enter into agreements and contracts with Indian or foreign individuals, companies or other organisations for technical, financial, or any other assistance.
6. To enter into any arrangement with any Government or state authority, Municipal or other bodies and to obtain from them any rights, privileges and concessions.
7. To apply for, purchase or otherwise acquire and protect, prolong and renew trade marks, trade names, designs, secret processes, patents, patent rights, licences, protections and concessions which may appear useful to the Company.
8. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any person, firm or company carrying on any business, which the Company is authorised to carry on and to purchase acquire, apply for, hold, sell and deal in shares, stocks, debenture or debenture stock of any such person, firm or company and to conduct, make or carry into effect any arrangement in regard to the winding up of the business of any such person, firm or Company.

GUNNY-CHEM-TEX INDIA LIMITED

*[Signature]*  
Director



9. To invest and deal with the money of the Company not immediately required for business.
10. To subscribe for, take or otherwise acquire and hold shares, stocks, debentures or other securities of any other company and to deal in the same. Other Object
11. To lend or deposit moneys belonging to or entrusted to or at the disposal of the Company to such person or company and in particular to customers and others having dealings with the Company with or without security, upon terms as may be thought proper and guarantee the performance of contracts by such person or company but not to do the business of banking as defined in the Banking Companies Act 1949.
12. To borrow or raise money with or without security or to receive money or deposit at interest or otherwise, in such manner as the Company may think fit and in particular by the issue of debenture stock perpetual or otherwise including debenture or debenture stock convertible into shares of this or any other company and in security of any such money so borrowed, raised or received to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital and to purchase, redeem or pay off any such securities.
13. To pay all the costs, charges and expenses of and incidental to the promotion and formation, registration and establishment of the company and issue of its capital, including any underwriting or other commission, broker's fee subject to Section 76 of the Companies Act, 1956.
14. To provide for the welfare of the employees or ex-employees of the Company and the wives, widows, families or dependants or connections of such persons by building or contributing to the building of houses, dwellings or by grant of money, pensions, gratuity, bonus, payment towards insurance or other payments or by creating from time to time, subscribing or contributing to, adding or supporting provident funds or trust or conveniences and by providing or subscribing or contributing towards places of instruction or recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.
15. To sell or dispose of the undertaking of the Company or any part thereof in such manner and for such considerations as the Company may think fit, and in particular for shares, whether fully or partly paid up, debenture stock or security of any company whether promoted by the Company or not and improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the rights of the Company.
16. To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.

GUNNY CHEMTEX INDIA LIMITED

Director



17. Subject to the provisions of the Companies Act, 1956, and the Constitution of India, subscribe or contribute or otherwise assist or to guarantee money to charitable, benevolent, religious, scientific, national, or other institutions or objects or any public, general or useful objects.
18. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, radio and television, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations, subject to the provisions of Section 293A of the Companies Act, 1956.
19. To draw, make, issue, accept and to endorse, discount and negotiate cheques, promissory notes, hundies, bills of exchange, bills of lading, delivery orders, warrants, warehouse keepers certificates and other negotiable or commercial or mercantile instruments connected with the business of the Company.
20. To carry on any other business whether manufacturing or otherwise that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value or render profitable any of the Company's property or rights or which may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property, real or personal, belonging to the Company or in which the Company may be interested and to do all or any of the above things, either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others, and either by or through agents, subcontractors, trustees or otherwise.
21. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research, experiments and tests of all kinds and to promote studies and research both scientific and technical investigation and invention by providing, subsidizing libraries, lectures, meetings and conferences and by providing the remuneration of scientific and or technical professors or teachers and by providing for the award of scholarships, prizes, grants and bursaries to students or others and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and investigations of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on and to provide facilities for imparting technical service as training of workers and staff for the purpose of business of the Company.
22. To enter into partnership or any arrangement ( including arrangement for sharing of profits, union of interests, cooperation ), arrangement ( including joint venture, reciprocal concessions ) or collaboration and/or otherwise with any Government or Authority, Foreign, Supreme, Central, State, Municipal, Local or otherwise or with any other Companies, Associations or persons whether Indian or foreign that may seem conducive to the Company's objects or any of them and to obtain from such Government or authority, Company, firms, Associations or persons all rights, concessions and privileges on such terms and conditions as the Company may think it desirable and to obtain and to carryout,

GUANNY CHEMTEX INDIA LIMITED  
Director

GUANNY CHEMTEX INDIA LIMITED



exercise and comply with any such arrangements, rights, privileges and concessions.

23. To amalgamate with or take over 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 the Companies Act, 1956.
24. To procure the registration or other recognitions of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business.
25. To undertake and execute any trusts, the undertaking whereof may seem desirable either gratuitously or otherwise.
26. 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 of 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 whatsoever, and to subsidise or otherwise assist any such company subject to the relevant provisions of the Companies Act, 1956.
27. To sell, let on lease or hire or in any other manner deal with or dispose of the whole of the undertaking, property, assets rights and effects of the Company or any part thereof, for such consideration as the Company may think fit, and particular for shares, debentures and other securities of any other Company having objects altogether or in part similar to those of the purpose of its or acquiring all or any of the property, rights or liabilities of this company.
28. To buy, sell, manufacture, alter and exchange, let on hire, import, export, invest, hold, use, pledge, assign or otherwise dispose of, trade and deal in plant, machineries, tools, materials, commodities, substances, accessories, articles and things of the kinds and descriptions which may be required for the purpose of any of the business of the company or commonly supplied or dealt in by persons engaged in such a business or which may seem capable of being profitable of dealt with in connection with any of the said business.
29. To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of Industry or trade.
30. To undertake, carry out promote and sponser rural development including any programme for promoting the social and economic welfare of, or the uplift of the

GUNNY CHEMTEX INDIA LIMITED

Director

GUNNY CHEMTEX INDIA LIMITED

Director



public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner.

Without prejudice to the generality of the foregoing "programme of rural development" shall also include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors consider likely to promote and assist rural development, and the words "rural area" shall include such areas as may be regarded as rural areas under the provisions of the Income-tax Act, 1961, or any other law relating to rural development for the time being in force and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of such association or institution or any public or local body or authority or Central or State Government or any public institutions or trusts recognised by the Central or State Government.

31. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social economic or moral uplift of the public or any section of the public and in such manner and by such means as the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trust etc. having any one or more of the aforesaid objects, by giving donations or otherwise in any other manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any public institutions or trusts recognised by the Central or State Government.
32. To undertake and execute any contracts for works involving and supply or use of any kinds of tubes, pipes and its fittings, machinery etc. and to carry out any ancillary or other works comprised in such contracts relating to all or any of the objects of the Company for which it is authorised.

C. OTHER OBJECTS OF THE COMPANY NOT INDICATED IN A & B ABOVE :

1. To carry on business in India and / or any part of world of manufacturers, dealers.

GUNNY CHEMTEX INDIA LIMITED  
 Director

GUNNY CHEMTEX INDIA LIMITED



representatives, distributors, agents, brokers, assemblers, fabricators, engineers, repairers, contractors, financiers, importers and exporters of :—

- (a) Electrical and / or Refrigeration machinery, goods, appliances, electrodes, abrasives.
- (b) Automobiles, Scooters, Tractors, Cycles, their components.
- (c) Soda Ash, refractories, clay products, sanitary goods, vegetable oil products, oils, sugar, manures, fertilizers, chemicals, medicines, wines, spirits, surgical goods, scientific goods, laboratory requisites.
- (d) All office equipments, appliances and stationery and paper, paper board and their products.
- (e) Synthetic fibres, synthetic resins, plastic moulding powders, nylon, rayon and all their products, yarns, textiles.
- (f) Glass, Fibre glass, bakelite and all their products.
- (g) Bearings, bushes, their components, Hardware.
- (h) Gases for domestic and industrial use, fuel briquettes.
- (i) Foods, preserved foods, milk and milk products, soft drinks.
- (j) Building materials, stones, paints, cements.
- (k) Coal, Iron ore, lime, limestone, manganese, magnesite clay, fire-clay, bricks, tiles, and other minerals.
- (l) To engage in farming, agriculture, gardens, orchards etc.

2. To own, purchase, charter, hire or otherwise acquire, sell, exchange, let or otherwise deal with operate, trade in or with steam and other ships, boats and vessels, aircraft and other transports and conveyances of every description propelled or worked or capable of being propelled or worked, by steam, electricity, petrol, oil, gas, or any other motive power or power-producing substance, with all equipment and furniture, to employ the same in the carriage or conveyance by land, sea or air in or between any place or places or port or ports or on any seas, rivers, canals or elsewhere, of passengers, mails, troops, munitions of war, live-stock, corn and other produce and treasure and merchandise and food, articles and goods and things of all kinds, between such ports and places in part of the world, as may seem expedient, and to establish, maintain and work, lines of steam and other ships, air services and lines of aerial communication and other transports and conveyances between any ports, countries or places which may seem to the Company from time to time expedient, and to acquire any postal and other subsidies.

3. To acquire, erect, construct, establish, take on lease/licence, maintain, improve, manage, alter, carry on, control or work and contribute towards acquisition erection, construction, establishment, taking on lease/licence, maintenance, improvement, management, alteration, carrying on, controlling and working of

GUNNY CHEM TEX INDIA LIMITED

Director

Director



cotton and textile mills, jute mills, woollen mills, sugar mills, paper mills, board mills, rayon mills, nylon mills, aluminium mills, soap mills, cement factories, cosmetic factories, electric works, engineering works, chemical factories, paint, varnish and resin factories, tea gardens, synthetic product works, cable works, silk mills, iron and steel factories, manufacture machinery tools, agricultural implements, tillers, spare parts and machineries of all types, leather goods, working of mines and quarries, rubber factories, aqueducts, refineries, ice plants, oil mills, works for manufacturing of polyester, polypropylene, acrylic fibre, polyvinyl alcohol, acetate, cupramonium fibres, blends, synthetic fibres, regenerated fibres, man-made fibres, yarns and fabrics of all descriptions, works for manufacturing nylon tyre cord, metallic cops and tubes, preparing, processing and fabricating products of all descriptions, works for manufacturing polyethylene, automobile tyres and tubes, cycle tyres and tubes and dry battery cells and also to work as growers and cultivators of jute, cotton, tea, coffee, rubber and all the products of the soil and to trade in all the products and items related to the mills/works/factories stated above.

4. To carry on business as manufacturers, producers, importers, exporters, merchants, distributors, commission agents, brokers of and wholesale and retail dealers in, steel drums and other drums and in all kinds of containers, crates, cases, cisterns, receptacles, jars, bottles, bags, boxes, cartons and all other articles, from any materials for the purposes of packing, holding or otherwise of all kinds of products of the commodities whatsoever.
5. To carry on business in India or abroad either in its own name or otherwise solely or in conjunction with others as manufacturers, producers, processors, dealers, importers, exporters, buyers, sellers, distributors, stockists, agents and/or suppliers of all kinds of tubes, pipes, pipe fittings, components, accessories and all kinds of hardware items made of steel, alloys, stainless steel or any other metal (ferrous or non-ferrous) or substance or material including cement, concrete, stones, clay, timber, teak, board, fibre, fibreglass, porcelain, strips, sheets, paper, glass, rubber and other natural or synthetic substance or compound and various types of fittings, accessories, gadgets, parts, machinery, plants, tools, packing materials, compounds, chemicals, formulations and other items required for or used with such pipes and tubes and tubular structures and furniture made of pipes and tubes.
6. To carry on business in India or abroad of manufacturers, rollers, founders, converters, drawers, dealers, representatives, distributors, agents, brokers, assemblers, fabricators, engineers, repairers, contractors, financiers, importers and exporters of strips, tapes, castings, wires, flats, rods, scrap, structurals and other products of iron and steel, alloy steel in all forms and products, stainless steel and its products and other non-ferrous metals and their products including implements, tools, machinery, required for agriculture and other industrial and commercial purposes.
7. To produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally deal in cement, portland cement, alumina cement, lime-stone

Director  
 GUNNY CHEM TEX INDIA LIMITED  
 Director



and bye-products thereof, cement-pipes, sheets, refractories and other cement products and bricks.

8. To carry on business as timber merchants, saw mill proprietors and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber, teak, ply-wood, fire wood and wood of all kinds and to manufacture and deal in articles of all kinds in the manufacture of which timber, plywood or other wood is mainly used and to buy, clear plant and work timber estates.
  9. To carry on the business of manufacturers, producers, processors, importers, exporters, buyers sellers, distributors, stockists, agents, suppliers of and dealers in High Density Polythylene ( HDPE ) and Low Density Polythylene ( LDPE ) Pipes, Polyvelyne Chloride ( PVC ) Resins, Pipes, pipe fittings, profiles and other kinds of plastic products and materials, agro-equipments, Industrial spares, tools, furniture, house-hold equipment etc. and all its components, accessories, ancillaries and bye-products including the products to be invented in future and all other materials and chemicals such as plasticisers, stabilisers, lubricants, colours, pigments necessary and required for the production and marketing of the above-named products within the territory of India and abroad.
  10. To carry on business as advisers 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 establishment, construction, development, improvement and expansion of business, trade, commerce, industry, agriculture, buildings, 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 of aforesaid matters to any person, firm, company, trust, association, institution, society body corporate, government or government department, public or local authority of any other organisation whatsoever, to act as intermediaries in the introduction of collaborators, sellers, purchasers, partners, tenants, agents, consumers and employees.
- IV. The liability of the members is limited.
- V. The Authorised share capital of the Company is Rs. 2,60,00,000/- (Rupees Two Crores Sixty Lacs Only) divided into 26,00,000 equity Share of Rs. 10/- each with the power to increase or reduce the same in accordance with the provision of the Companies Act, 1956 and to classify or reclassify the share capital. The Authorised Capital has been increased vide resolution of its shareholders passed in Extra Ordinary General Meeting of the Company on 03.03.2008.

GURU CHEN TEX INDIA LIMITED

Director



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

Names, Addresses, Occupations and Descriptions of subscribers.	Number of Equity Shares taken by each Subscriber.	Name Address Occupation, Description of Witness
1. Sd/- Gobind Ram Kothari S/o Late N. D. Kothari, 12, India Exchange Place, Calcutta. Occ : Business.	—10— ( Ten )	
2. Sd/- Ram Narayan Kothari S/o Late N. D. Kothari . 12, India Exchange Place, Calcutta. Occ : Business.	—10— ( Ten )	
3. Sd/- Mahesh Kumar Kothari S/o Shri G. R. Kothari 12, India Exchange Place, Calcutta. Occ : Business.	—10— ( Ten )	
4. Sd/- Savitri Devi Kothari W/o Late H. N. Kothari 22/1, Alipore Road, Calcutta-27. Occ : Business.	—10— ( Ten )	
5. Sd/- Krishnavati Devi Kothari W/o Late G. G. Kothari 22/1, Alipore Road, Calcutt-27. Occ : Business.	—10— ( Ten )	
6. Sd/- Gopi Kishan Kothari S/o Shri R. N. Kothari 12, India Exchange Place, Calcutta. Occ : Business.	—10— ( Ten )	
7. Sd/- Jaikrishan Taparai S/o Shri Banshilal Taparai 28, Black Burn Lane, Calcutta, Occ. Chartered Accountant	—10— ( Ten )	
<b>TOTAL</b>	—70— ( Seventy )	Sd/- GOPAL DAS AGRAWAL S/o Late Shiv Shankar Agarwal 21B, Balaram Bose Ghat Road, Calcutta-700 025. Occ : Company Secretary.

Dated the 14th day of December, 1982

Director  
 GUNNY CHEMTEX INDIA LIMITED  
 10/10/82



**The Companies Act, 1956.**

**PUBLIC COMPANY LIMITED BY SHARES.**

**Articles of Association**

**OF**

**GUNNY-CHEM-TEX INDIA LIMITED**

**PRELIMINARY**

1. Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act or in statutory modification thereof in force at the date at which these Articles become binding on the Company.

(a) "The Company" means GUNNY-CHEM-TEX INDIA LIMITED

(b) "The Act" means "The Companies Act, 1956" or any statutory modification or re-enactment thereof for the time being in force.

(c) "Alter" and "Alteration" shall include the making of additions and omissions.

(d) "Board" means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board Meeting or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles or the Directors of the Company collectively.

(e) "Directors" means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board Meeting.

(f) "In writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.

(g) "Members" mean the duly registered holders, from time to time of the shares of the Company.

GUNNY-CHEM-TEX INDIA LIMITED

Director



- (h) "Month" means Calendar month.
- (i) "Office" means the Registered Office for the time being of the Company.
- (j) "Persons" include bodies corporate.
- (k) "Proxy" means an instrument whereby any person is authorised to vote for a Member at a General Meeting.
- (l) "Register of Members" or "Register" means the Register of Members to be kept pursuant to Section 150 of the Act.
- (m) "The Registrar" means the Registrar of Companies of the State in which the Office is situated.
- (n) "The Seal" means the Common Seal of the Company for the time being.
- (o) Words importing the singular number only include where the context admits or requires, the plural number and vice versa. Words importing the masculine gender only includes feminine gender.
- (p) "The Statutes" means the Companies Act, 1956, and every other Act for the time being in force affecting the Company.
- (q) "Variation" shall include abrogation and "Vary" shall include abrogate.

2. The regulations contained in Table "A" in the First Schedule to the Companies Act, 1956, shall not apply to the Company except so far as the same are repeated, contained or expressly made applicable in these Articles.

#### SHARES

3. The Authorised Share Capital of the Company is Rs. 2,60,00,000/- divided into 26,00,000 equity Share of Rs. 10/- each
4. Subject to the provisions of these Articles, and of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such time as the Directors think fit and with power to call for or allot shares of any class of the Company either at a premium or at par or (subject to the provisions of Section 79 of the Act) at a discount and for such time and for such consideration as the Directors think fit. Provided that option or right to call any shares shall not be given to any person except with the sanction of the company in general meeting.
5. The Company shall comply with the provisions of Section 81 of the Act with regard to the issue of any further shares.

Director

GUNNY CHEM TEX INDIA LIMITED  
Director



6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference shares which are, or at the option of the Company are to be, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
7. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the Capital of the Company as payment of any property sold or transferred or for services rendered to the Company in the conduct of its business and any shares which may be so issued shall be deemed to be fully paid up shares.
8. If by the conditions of any allotment of any shares the whole or any part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder or his legal representatives.
9. Any application duly signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles ; and every person who thus or otherwise accepts any shares and whose name is therefor placed on the Register of Members shall, for the purposes of these Articles, be a member.
10. The money ( if any ) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.
11. Every member or his heirs, executors or administrators to the extent of his assets come to their hands shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner, as the Board of Directors, shall from time to time, in accordance with the Company's regulations require or fix for the payment thereof.
12. Subject to the provisions of Sections 91 and 92 of the Act, the Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.
13. Save as herein or by law otherwise expressly provided, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognise any trusts whatsoever to equitable, contingent, future, partial or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof,

SHRI M. K. CHETAN LAL

Director

Director



and save as aforesaid, no notice of any trust, express, implied or constructive shall be entered on the Register, or be receivable by the Company the Directors shall, however, be at liberty, at their sole discretion, to register any share, in the joint names of any two or more persons, and the survivor or survivors of them. Where any shares in or debentures of the Company are held in trust by any person (hereinafter referred to as "the trustee") it shall be the duty of the trustee to send to the Company a copy of the declaration made by him under Section 153B(2) of the Act as soon as may be after the said declaration is made.

14. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by statute required, be bound to recognise any benami, equitable or other claim to or interest in such share on the part of any other person.

#### CERTIFICATES OF SHARES

15. (1) Every certificate shall be issued in accordance with the provisions of the Companies ( Issue of Share Certificates ) Rules, 1960, or any statutory modification or re-enactment thereof.
- (2) Every member shall be entitled free of charge to one certificates for all the shares of each class registered in his name or if any member so wishes, to several certificates each for one or more of such shares but in respect of each additional certificate which does not comprise shares in lots of market units of trading, the Board may charge a fee of Rs. 2/- or much smaller sum as the Board may determine. In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint-holders shall be sufficient delivery to all such holders.
- (3) No fee shall be charged for sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market units of trading ; for sub-division of renounceable letters of right ; for issue of new certificates in replacement of these which are old, decrepit or worn out, or when the cages on the reverse for recording transfers have been fully utilised. Provided that the Company may charge such fees as may be agreed by it with the Stock Exchange with which its shares may be enlisted for the time being for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed and for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment and split, consolidation renewal and pucca transfer receipts into denominations other than those fixed for market units of trading.

#### CALLS ON SHARES

16. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof the holder for the time being or allottee of the

DIRECTOR  
 GUINNY CHEM TEX INDIA LIMITED  
 Director



share in respect of which the call shall have been made or the instalment shall be due, shall pay interest on the same at such rate not exceeding eighteen per cent per annum as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

17. Any money due from the Company to a member may, without the consent and notwithstanding the objection of such member, be applied by the Company in or towards the payment of any money due from him to the Company for calls or otherwise.
18. On the trial or hearing of any action or suit brought by the Company against any member or his representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears entered in the Register of Members as the holder, or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered, and that the amount claimed is not entered as paid in the books of the company or the Register of Members and that the resolution making the call is duly recovered in the minute book, and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which such call was made, nor that the meeting at which such call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives, against the company that the name of such member was improperly inserted in the Register, or that the money sought to be recovered has actually been paid.
19. (a) The Directors may, if they think fit, receive from any member willing to advance the same, either in money or money's worth the whole or any part of the amount remaining unpaid on the shares held by him beyond the sum actually called up and upon the moneys so paid or satisfied in advance or so much thereof, as from time to time and at any time thereafter exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances have been made, the Company may pay or allow interest at such rate as the member paying such advance and the Directors agree upon; provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such member appears to the Directors to be excessive it shall be lawful for the Directors from time to time to repay to such member so much of such money as shall then exceed the amount of the calls made upon such shares, unless there be an express agreement to the contrary, and after such repayment such member shall be liable to pay, and such shares shall be charged with the payment of all future calls as if no such advance had been made, provided also that

SUNNY CHEMTEX INDUSTRIES LIMITED

Director

Director



- b) The member making such advance shall not, however, be entitled to any voting rights in respect of the moneys so advanced by him until the same would, but for such payment, become presently payable.

20. (1) The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all moneys (whether presently payable or not) called, or payable at fixed time, in respect of that share: Provided that the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (2) The Company's lien, if any, on a share shall extend to all dividends payable thereon.
- (3) 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.

## TRANSFER AND TRANSMISSION OF SHARES

21. The instrument of transfer of any share shall be in the prescribed form and in accordance with the requirements of Section 108 of the Act. Unless otherwise required by any law or by any competent authority (including authorities of any recognised Stock Exchange in India), in case of equity shares and preference shares of the Company separate instruments of transfer for each such class of shares shall be executed and submitted to the Company.

22. (1) An application for the registration of a transfer of the shares in the Company may either by the transferor or transferee.
- (2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- (3) For the purposes of sub-clause (2) above notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be

CESTIL GUNNY CHEM TEX INDIA LIMITED  
Director



deemed to have been delivered at the time at which it would have been delivered in the ordinary course of post.

23. Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
24. Every instrument of transfer, duly executed in accordance with the provision of these Articles duly stamped, shall be left at the office of the Company for registration, accompanied by the certificate of the shares to be transferred, or if no such certificate is in existence, the letter of allotment and also such other evidence as the Directors may require to prove the title of the transferor, or his right to transfer the shares, and generally under and subject to such conditions and regulations as the Directors shall from time to time prescribe. Where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer it is proved to the satisfaction of the Directors that an instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost the Company may, if the Directors think fit, register the transfer on such terms as to indemnity as the Directors may think fit.
25. A transfer of shares in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of instrument of transfer.
26. The Board of Directors shall have power on giving seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situate to close the Transfer Books, the Register of Members or Register of Debenture Holders for a period not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any one time; Provided that where the transfer books are proposed to be closed, advance notice of at least 21 days or of as many days as Stock Exchanges may from time to time reasonably prescribe or agree to, be given to the Stock Exchanges on which the Company's shares are listed.
27. (a) Subject to the provisions of Section III of the Act, or any statutory modification thereof, for the time being in force, the Directors may at their absolute discretion and without assigning any reason, decline to register any transfer of shares and in particular may so decline in any case in which the Company has a lien upon the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee. Provided registration of a transfer shall not be refused on the ground of the transferor either being alone or jointly with another person or persons indebted to the Company on any account whatsoever except a lien on the shares.

GUNNY CHEMTEX INDIA LIMITED

Director

Director



(b) Any Committee or guardian of a lunatic or infant member or any person becoming entitled to or to transfer shares in consequence of the death or bankruptcy or insolvency of any member, upon producing the share certificate and such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors ( which they shall not be under any obligation to give ), 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. The Article is hereinafter referred to as "The Transmission Article".

28. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and transferor or to the person giving intimation of transmission, as the case may be, and thereupon the provisions of Section III of the Act or any statutory modification thereof for the time being in force shall apply.

29. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the person(s) recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased jointholder from any liability on shares held by him jointly with any other person.

30. The executors or administrators of a deceased member or the holder of a succession certificate in respect of the shares of a deceased member ( not being one of two or more jointholders ) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be, from a competent Court in the Union of India. Provided that in any case where the Board in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as to the Directors may seem proper may dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 24 the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.

31. Subject to the provisions of Article 36 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles may with the consent of the Directors ( which it shall not be under any obligation to give ), upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article, or of his title, as the Directors think sufficient, either, be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Directors registered as such holder, provided, nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares. This Article is referred to in these Articles as "The Transmission Article".

DIRECTOR  
 GUNNY CHEMTEX INDIA LIMITED  
 Director



32. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
33. A person entitled to a share by transmission may, until the Directors otherwise determine as provided by Article 97 receive and give discharge for any dividends, bonuses or other money payable in respect of the share, but he shall not be entitled to vote at meeting of the Company unless and until he shall have become a member in respect of the shares.
34. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Directors shall, from time to time prescribe and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Directors may decline to register shall on demand be returned to the person depositing the same.
35. The Company may charge such fee for every transfer/transmission of shares of any class or denomination as the Directors may decide from time to time. Unless the Directors so decide, the Company shall not charge any fee for registering a transfer or transmission of shares.
36. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Directors shall so think fit.
37. The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debentures of the Company.

#### JOINT HOLDERS

38. Where two or more persons are registered as the holders of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants

GONNA CHEMTEX INDIA LIMITED

Director

Director



with benefits or survivorship subject to the following and other provisions contained in these Articles :

- (a) The Company shall be entitled to decline to register more than four persons as the joint holders of any share.
- (b) The joint holders of share shall be liable severally as well as joint for and in respect of all calls or instalments and other payments which ought to be made in respect of such shares.
- (c) On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
- (d) Only the person whose name stands first in the Register of members may give effectual receipts of any dividends or other moneys payable in respect of such share.
- (e) Only the person whose name stands first in the Register of Members as one of Members as one of the joint holders of any shares shall be entitled to delivery of the certificate relating to such share or to receive documents ( which expression shall be deemed to include all documents as defined in Article 1 from the Company and any document served on or sent to such person shall be deemed as served on all the joint holders.

#### INCREASE AND REDUCTION OF CAPITAL

39. The Company in General Meeting 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 share 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 share capital any capital redemption reserve account, any share premium account in any manner subject to the requirements of the law :

39. The Company in General Meeting 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 share 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 share capital any capital redemption reserve account, any share premium account in any manner subject to the requirements of the law :  
 Director



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.

40. Whenever the capital (by reasons of the issue of Preference shares or otherwise) is divided into different classes of shares, all or any of the rights and privileges attached to the shares of any class may, subject to the provisions of Sections 106 and 107 of the Act, be varied with the consent in writing of the holders of not less than 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 issued shares of that class and all the provisions hereinafter contained as to general meeting shall, mutatis mutandis, apply to every such meeting. This Article is not to derogate from any power the Company would otherwise have, were it omitted.

#### BORROWING POWERS

41. The Directors may from time to time at their discretion raise or borrow moneys subject to the provisions of Section 293 of the Act, and secure the payment of any sum or sums of money for the purposes of the company, and may themselves lend to the company on security or otherwise.
42. The Directors may raise or secure the repayment or payment of any sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the creation of any mortgage or charge on the undertaking or the whole or any part of the property, present or future, or uncalled capital of the Company or by the issue of bonds, perpetual or redeemable, debenture-stock of the Company charged upon all or any part of the property of the Company, both present and future, including its uncalled capital for the time being.
43. Debenture-stock, 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.
44. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise with any special privileges as to redemption, surrender drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise.
- Provided that debentures, debenture-stock, bonds or other securities with a right to Allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
45. The Directors shall be entitled to receive such interest on loans made by them to the Company as may be agreed between the Company and the Directors.

SINGAPORE CHINESE TEXTILES LIMITED

*[Signature]*  
Director

*[Signature]*  
Director



46. If any uncalled capital of the Company be included in or charged by any mortgage or other security, the Directors may, subject to the provisions of the Act and those Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

#### GENERAL MEETINGS

47. The Company shall, in addition to any other meetings which are hereinafter referred to as "Extra-Ordinary General Meetings", hold a General Meeting which shall be styled its Annual General Meeting and shall specify the meeting as such in the notice calling it.
48. The Directors may call Extraordinary General Meetings of the Company whenever they think fit and such meetings shall be held at such place and time as the Directors think fit.
49. In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special, with the exception of business relating to (i) consideration of the Accounts, Balance Sheet and the Reports of the Board of Directors and Auditors; (ii) the declaration of dividend; (iii) the appointment of Directors in the place of those retiring and (iv) the appointment of and the fixing of the remuneration of the Auditors. In the case of any other meeting, all business shall be deemed Special.
50. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
51. No business shall be transacted at any General Meeting, except the election of Chairman, whilst the chair is vacant.
52. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting, shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote on such resolution and seconded by another member present and entitled so to vote.
53. Where by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by

Director  
GUNNY CHEM TEX INDIA LIMITED



advertisement in a newspaper having an appropriate circular or in any other mode allowed by these Articles not less than seven days before the meeting.

54. Where there are joint registered holders of any shares, any one of such persons may vote at any meeting either personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting either personally or by agent or by proxy, that one of the said persons so present whose name stands first on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first in the Register in respect of such shares. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed jointholders thereof.

55. (1) No member shall be entitled to exercise any voting right on any question either personally, or by proxy or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right of lien.

(2) No member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any general meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.

56. (a) On a poll taken at a meeting of the Company a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. A member or his proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the contrary at the time he casts any votes.

(b) No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by proxy or by a representative duly authorised under Section 187 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.

57. Every instrument of proxy whether for a specified meeting or otherwise shall be in writing and shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.

GUNNY CHEMTEX INDIA LIMITED

Director

Director



58. Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

59. No objection shall be made to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting.

#### DIRECTORS

60. Unless otherwise determined by the Company in General Meeting and subject to Section 252 of the Act, the number of Directors shall not be less than three nor more than twelve.

61. The following persons shall become and be the first Directors of the Company :

1. Shri Gobind Ram Kothari
2. Shri Ram Marayan Kothari
3. Shri Mahesh Kumar Kothari

62. The Directors shall also have power at any time and from time to time to appoint any person to be a Director as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the conclusion of the next Annual General Meeting but he shall be eligible for re-election at such meeting.

63. A Director need not hold any shares in the capital of the Company to qualify him to act as a Director of the Company.

64. (a) Unless otherwise determined by the Company in General Meeting each Director shall be entitled to receive out of the funds of the Company by way of remuneration for his services in attending meetings of the Board or Committee of Directors the sum of Rs. 250/- for every meeting of the Board or Committee of Directors attended by him or such other sum as may be determined by the Directors.

The Directors may also appropriate out of the net profits of the Company during any year a sum not exceeding one per cent of such net profits, if the

GUNNY CHEM TEX INDIA LIMITED  
Director



Company shall have Managing Director, otherwise not exceeding three per cent of such net profits and distribute the sum so appropriated among themselves in such proportion as they may mutually agree upon or equally in the absence of any such agreement. The amount so appropriated shall be deemed to be a part of the working expenses of the Company.

- (b) The Directors may also allow and pay to any Director who is not a resident in the place where meetings of the Company or of the Directors or of a Committee are ordinarily held and who shall come to such place or who incurs travelling and other expenses for attending a meeting of the Board of Directors or of a Committee, such sum as the Directors may consider fair and reasonable for his travelling and other expenses for attending a meeting of the Board of Directors or of a Committee in addition to his fee for attending such meeting, as above specified.
- (c) The Directors shall be entitled to be reimbursed any travelling and other expenses incurred in connection with the business of the Company.
- (d) All fees payable for filing documents under the Act by the Directors shall be paid by the Company.
65. Subject to the provisions of Sections 309 and 310 of the Act, if any Director being willing, shall be called upon to go or reside away from his usual place of residence on the Company's business, or otherwise perform extra services ( which expression shall include the work done by a Director in signing certificate of shares or debentures issued by the Company, or work done by him as a member of any Committee appointed by the Directors in terms of these Articles ), the Directors may arrange with such Director for such special remuneration for such services, either by way of salary or commission, or by a percentage of profits or the payment of a fixed sum of money as may be determined by the Directors, and such remuneration may be either in addition to or in substitution for his remuneration above provided.
66. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum fixed by these Articles, the continuing Directors may act for the quorum or of summoning a General Meeting of the Company, but for no other purpose.
67. The Directors may appoint an Alternate Director to act for a Directors ( hereinafter in this Article called "the Original Director" ) during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to "the original Director" in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State.
68. Any Director or other person referred to in Section 314 of the Act may be appointed to hold any office or place of profit under the Company or under any subsidiary of the Company in accordance with the provisions of Section 314 of the Act.

GUNNY CHEMTEX INDIA LIMITED  
Director  
Director



passed at a meeting of the Board, or Committee of the Board, as the case may be, duly called and constituted, if it is passed by circulation in the manner provided in Section 289 of the Act.

#### MINUTES

85. (1) The Board, shall, in accordance with the provisions of Section 193 of the Act, cause minutes to be kept of every general meeting of the Company and of every meeting of the Company and of every meeting of the Board or of every Committee of the Board.
- (2) Any such Minutes of any meeting of the Board or of any Committee of the Board or of the Company in general meeting, if kept in accordance with the provisions of Section 193 of the Act, shall be evidence of the matters stated in such Minutes. The Minute Books of general meetings of the Company shall be kept at the Office and shall be open to inspection by members during the hours of 10 A.M. and 12 Noon on such business days as the Act requires them to be open for inspection.

#### POWERS OF DIRECTORS

86. Subject to the provisions of the Act, the control of the Company shall be vested in the Directors 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 Directors shall not exercise any power or do any act or thing which is 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 Directors 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, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

#### COMMENCEMENT OF NEW BUSINESS

87. The Company shall not at any time commence any business in relation to any of the object stated in Clause III (C) of its Memorandum of Association unless the provisions of sub-section (2A) of Section 149 of the Act have been duly complied with by it.

#### MANAGING/WHOLE-TIME DIRECTORS

88. Subject to the provisions of the Act, the Board may, from time to time, appoint one or more Directors to be Managing or Whole-time Director or Directors of the

Director  
GUNNY CHEM TEX INDIA LIMITED  
Director



Company with such designations as the Board may consider fit and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or, them from office and appoint another or others in his or their place or places.

89. (1) Subject to the provisions of Section 255 of the Act, a Managing or Whole-time Director shall not, while he continues to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Managing or whole-time Director if he ceases to hold the office of Director for any reason whatsoever save that if he shall vacate office whether by retirement by rotation or otherwise under the provisions of the Act at any Annual General Meeting and shall be re-appointed a Director at the same meeting he shall not by reason only of such vacation, cease to be a Managing or Whole-time Director.

(2) If at any time the total number of Managing and/or whole-time Directors is more than one-third of the total number of Directors, the Managing and/or Whole-time Directors who shall not retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Managing and/or Whole-time Directors shall be determined by the date of their respective appointment as Managing and/or Whole-time Directors of the Company.

90. Subject to the provisions of Sections 309, 310, 311 and 314 of the Act, a Managing or Whole-time Director may in addition to any remuneration payable to him as a Director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company in general meeting.

91. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 292 thereof, the Board may, from time to time, entrust to and confer upon a Managing or Whole-time Director for the time being such of the powers exercisable under these presents by the Directors as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit, and it may confer such powers, either collaterally with or to the exclusion of, and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### MANAGER

92. Subject to the provisions of Sections 197A, 317, 388 and other applicable Sections of the Act the Board may, from time to time appoint an individual as the Manager of the Company and may determine his powers and duties and fix his remuneration and the period for which and other terms and conditions on which he is to hold such office.

GUNNY CHEM TEX INDIA LIMITED

Director

GUNNY CHEM TEX INDIA LIMITED

Director



## SECRETARY

93. Subject to the provisions of Section 383A of the Act and Rules framed thereunder, the Board may, at any time and from time to time, appoint any individual possessing the prescribed qualification to be the Secretary of the Company and may determine his powers and duties and fix his remuneration and the period for which he is to hold such office.

## DIVIDENDS AND CAPITALISATION

94. The Company in general meeting may declare a dividend to be paid to members according to their respective rights and interests in the profits, and may subject to the provisions of Section 207 of the Act, fix the time for the payment thereof.

95. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend.

96. Any capital paid up in advance of calls shall not confer a right to dividend or to participate in profits.

97. No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person or persons, in respect of such share or shares, or any other amount whatsoever remains unpaid, and the Directors may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid.

98. The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a member, or which any person under the same Article is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same.

99. Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may be set off against the calls.

100. The Directors may, from time to time, declare and pay to the members such interim dividend as in their judgement the position of the Company justifies.

101. The Company shall comply with the requirements of Section 205A of the Act as regards any unpaid or unclaimed dividends out of dividends declared by the Company.

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Director



102. Any general meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the reserves, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend, or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum: Provided that any sum standing to the credit of a Shares Premium Account or a Capital Redemption Reserve Account may, for the purposes of this Articles, only be applied in paying up unissued shares to be issued to shareholders or the Company as fully paid bonus shares.

#### ACCOUNTS AND AUDIT

103. The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.
104. Every Balance Sheet and Profit & Loss Account of the Company when audited and adopted by the Company in general meeting shall be conclusive except as regards any error discovered therein within three months next after the adoption thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall subject to the approval of the Company in general meeting be conclusive.
105. (a) Once in every year, the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet be ascertained by the auditors.
- (b) The first auditors of the Company shall be appointed by the Board within one month from the date of incorporation to hold Office until the conclusion of first Annual General Meeting.
- (c) The Company in each Annual General Meeting shall appoint an Auditors to hold Office until the next Annual General Meeting and his appointment, remuneration, right and duties shall be regulated by provisions of the Act.

GUNNY CHEMTEX INDIA LIMITED

Director



## INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS

106. Every Director, Manager, Secretary or officer of the Company or any person ( whether an officer of the Company or not) employed by the Company, and any person appointed as Auditors shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Manager, Secretary, Officer, employee or Auditor 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 of the Act in which relief is granted to him by the Court.

## THE SEAL

107. The Directors shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof. The Directors shall provide for the safe custody of the seal for the time being and the Seal shall never be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of at least one Director of the Company. Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

## RECONSTRUCTION

108. On any sale of the undertaking of the Company, the Board or the Liquidators on a Winding up may, if authorised by a special Resolution accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either then existing or to be formed for the purpose in whole or in part of the property of the Company and the Board ( if the profits of the Company permit ) or the Liquidators ( in a winding up ) may distribute such shares or securities or any other property of the Company amongst the members without realisation or vest the same in trustees for them and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property, otherwise than in accordance with the strict legal rights of the members or contributories of Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up such statutory rights ( if any ) under Section 494 of the Act as are incapable of being varied or excluded by these Articles.

## WINDING-UP

109. If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed

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Director

Director



amongst the members in proportion to the capital paid or which ought to have been paid on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the assets available shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.

110. If the Company shall be wound-up whether voluntarily or otherwise, the liquidator may, with the sanction of a Special Resolution, divide among the contributories in specie or kind any part of the assets of the Company, and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories or any of them, as the liquidator with the like sanction shall think fit.

#### SECRECY

111. (i) No member or other person ( not being a Director ) shall be entitled to enter the property of the Company or inspect or examine the Company's premises or properties of the Company without the permission of the Directors or of the Managing Director ( if any ) of the Company for the time being or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a trade secret, mystery or trade or secret process, or of any matter whatsoever, which may relate to the conduct of the business of the Company, and which in the opinion of the Directors or Managing Director, it will be inexpedient in the interest of the members of the Company to communicate to the public.

- (ii) Every Director, Auditor, Trustee, member or debenture-holder, officer, servant or other person employed in the business of the Company shall, if so required by the Directors, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Director or by any meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

**GUNNY CHEM TEX INDIA LIMITED**

*[Signature]*  
Director



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

Names, Addresses and Description of the Subscribers.	Names, Addresses and Descriptions & Occupation of witnesses.
<ol style="list-style-type: none"> <li>1. Sd/- Gobind Ram Kothari S/o Late N. D. Kothari, 12, India Exchange Place, Calcutta. Occ : Business.</li> <li>2. Sd/- Ram Narayan Kothari S/o Late N. D. Kothari 12, India Exchange Place, Calcutta. Occ : Business.</li> <li>3. Sd/- Mahesh Kumar Kothari S/o Shri G. R. Kothari 12, India Exchange Place, Calcutta. Occ : Business.</li> <li>4. Sd/- Savitri Devi Kothari W/o Late H. N. Kothari 22/1, Alipore Road, Calcutta-27. Occ : Business.</li> <li>5. Sd/- Krishnavati Devi Kothari W/o Late G. G. Kothari 22/1, Alipore Road, Calcutt-27. Occ : Business.</li> <li>6. Sd/- Gopi Kishan Kothari S/o Shri R. N. Kothari 12, India Exchange Place, Calcutta. Occ : Business.</li> <li>7. Sd/- Jaikrishan Talaria S/o Shri Banshilal Talaria 28, Black Burn Lane, Calcutta. Occ. Chartered Accountant</li> </ol>	<p>Sd/- GOPAL DAS AGRAWAL S/o Late Shiv Shankar Agarwal 21B, Balaram Bose Ghat Road, Calcutta-700 025. Occ : Company Secretary.</p> <p><b>GUNNY CHEM TEX INDIA LIMITED</b> <i>[Signature]</i> Director</p>

Dated this 14th day of December, 1982