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**MEMORANDUM AND ARTICLES OF ASSOCIATION OF**

**TBK Venkataramiah Tile Bath Kitchen Private Limited**

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THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

**MEMORANDUM OF ASSOCIATION**

OF

**TBK Venkataramiah Tile Bath Kitchen Private Limited**

I. The name of the company is **TBK Venkataramiah Tile Bath Kitchen Private Limited**

II. The Registered Office of the Company will be situated in the State of Karnataka.

III. The objects for which the Company is established are -

**A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE –**

1. To carry on the business of manufacture, sale, purchase, import, export, trade, trade as a franchisee, distributor, dealer, trade online, or otherwise deal in all kinds of tiles, kitchens, kitchenware, articles, fittings & accessories required in kitchens, bathrooms, bathroom fittings, sanitary ware, furniture, furnishings, fixtures, laminates, floor/wall/ceiling coverings, items of clay or any earthenware, china and terra cotta and ceramic wares of all kinds, hardware, electric fittings, electronic gadgets, equipments, appliances, instruments, artifacts, materials other home products and goods generally required for beautification, decoration, improvement, furnishing, repairs and maintenance of premises, houses, buildings and all types of property and real estate, whether residential or commercial or non-commercial and to render all types of services related thereto and to carry on the business of interior and exterior decorator, designers, plumbers, contractors, furnishers, designers, consultants and planners of buildings, landscapes and to undertake the business of dealers and distributors of material required for interior decoration improvement, beautification of residential, commercial and non-commercial premises, houses, buildings and all types of property and real estate and to render all kinds of services, professionally or otherwise, related to building materials including maintenance, repairs, installation and designing, execution of plans related to the same.

**B. THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS**

1. To purchase, sale of such commodities, articles and things on the basis of terms & conditions of the contract entered into whether by way of payment in lump sum or in installments.
2. To carry out all such commercial activities which are necessary, incidental or ancillary to the object of the company.
3. To enter into the contract with various Government authorities, research institutes, or with any other enterprises for the exchange of technology and know-how in consideration of the royalty receipt or payment or otherwise as per the terms & conditions agreed upon.
4. To purchase & sales of all other such commodities articles and things, which are necessary, incidental or ancillary to the object of the company.
5. To enter into the negotiation, collaboration, technical or otherwise with any persons, firm, company, body corporate, institutions or any Government agency for obtaining grant, license, technical information, know-how and expert advice etc.
6. To acquire from time to time and deal or trade in all such stock-in trade, chattels, any patent, trademark, invention, license, concession and effect as may be necessary or convenient for any business for the time being, carried on by the Company.
7. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealing with the company, and to guarantee the performance of any contract or obligation and the payment of the money of or by any such persons or companies, and generally to give the guarantees and indemnities.
8. Subject to the provisions of Section 58-A, and other relevant sections of the companies Act, 1956 and rules made there under and directives of Reserve bank of India to receive money on deposit with or without allowance of interest, to borrow or raise money with or without securities and/or secure the payment of money by mortgage or issue of bond, mortgage, hypothecation, lien or any other security based or charged upon all or any of the property or rights of the company or in such other manner as the company shall think fit and for the purposes aforesaid to charge all or any of the company's property or assets

movable or immovable, liquid or otherwise, present and future, including its, uncalled capital and collaterals also or further to secure any securities of the company by the trust deed or other assurance and to redeem, purchase or pay of any such security, provided that the company shall not do banking business as defined in the banking regulation Act, 1949.

9. To open bank accounts of all kinds including over draft accounts and cash credit and to operate the same.

10. To draw, make, accept, endorse, discount, execute and issue promissory notes, hundies, bills of exchange, bills of lading, warrants, debentures and other negotiable instruments in course of the company's business.

11. To apply for, purchase or otherwise acquire any patents, brevets, invention, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention for the purpose of the company, and to use, exercise, develop or grant or licenses in respect of or otherwise turn to account the property, rights or information so acquired.

12. To purchase, take or give on Lease, Leave and License or Rent or in exchange hire Complexes, Shops, Arcades, stores, chain shops, display centers, showrooms, business tables spaces, any rights or privileges which the Company may think necessary or convenient for the purpose of its business and particularly any lands, buildings, works, and any interest therein.

13. To obtain any provisional order or act of the government of India or any provincial government for enabling the company to carry out any of its object into effect or for effecting the modification of the company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings, or applications which seem calculated, directly or indirectly, to prejudice the company's interest.

14. To appoint agents to promote the business of the company.

15. To pay for any property acquired by the company and remunerate any persons, firm or body corporate rendering services to the company either by cash payment or by allotment to him or them of shares or securities of the company which is paid in full or in part or otherwise.

16. To let on lease or on hire-purchase system or to lend or otherwise dispose of any property belonging to the company.

17. To sell, exchange, mortgage, let on lease, royalty or tribute, grant, licenses, easements, options and other rights over in any other manner deal with assets or dispose of the undertaking.

18. To acquire and undertake all or any part of the business, property and liabilities of any person or company carrying on or proposing to carry on any business which this company is authorised to carry on.

19. To invest the surplus fund of the company in shares and any other kind of securities.

20. Subject to the provisions of the Companies Act, 1956, to amalgamate, or to enter into partnership or into any arrangement for shares, profits, union of interest, co-operation, joint venture, of reciprocal concession or for limiting competition with any person or persons or company or companies carrying on or engage in or about to carry on or engage in, any business transaction on or engage in or which this company is authorised to carry on or engage in or which can be carried on in conjunction therewith.

21. To engage in any business or transaction within the limits of the company's objects, in connection with or any other person, corporation, company or to hold shares, stocks, or bonds in any such company or corporation, the business which this company is authorised to carry on.

22. To procure the recognition of the company in or under the laws of any place outside India.

23. To undertake and execute any trust, the undertaking of which may seem to the company desirable and either gratuitously or otherwise and vest any real or personal property, rights or interest acquired by or belonging to the company in any person or company or companies on behalf of or for the benefit of the company and with or without any declared trust in favour of the company for the purpose of the business of the company.

24. Subject to provisions of the Companies Act, 1956, to accept gifts and to give gifts and donations to create trusts for the welfare of the employees, members, directors and/or their dependents, heirs and children and for any deserving object and for other persons also and to act as trustees.

25. To subscribe or guarantee money for national, charitable, religious, educational, benevolent or other institutions, societies, clubs, funds,

association, public general or useful objects or for any exhibition but not intended to serve any political cause or purpose.

26. To communicate with chambers of commerce and other mercantile and public bodies throughout the world and promote measures for the protection of trade, industry and persons engaged therein.

27. To subscribe for, become a member of, subsidies and co-operate with any other association, whether incorporated or not, whose objects are altogether or in part similar to those of the company, and to procure from and communicate to any such association, such information as may be likely to further the objects of the company.

28. To pay legally any premium or salaries and to pay for any property, right or privileges acquired by the company or for services rendered or to be rendered in connection with the promotion, formation of the business of the company or for services rendered or to be rendered by any person, firm or body corporate in placing or assisting to place or guaranteeing the placing of, any of the shares of the company or any debentures, or other securities of the company or otherwise either wholly or partly in cash or in shares, bonds, debentures, or other securities of the company and to issue any such shares either as fully paid up or with amount credited as paid up therein as may be agreed upon to charge any such bond, debentures or other securities upon all or any part of the property of the company.

29. To appoint, agents, selling representatives, commission agents, and to engage lawyers and solicitors and to grant them or any of them necessary power of attorney.

30. To pay out of the funds of the company, all costs, charges or expenses preliminary and incidental to the promotion, formation establishment and registration of the Company.

31. To adopt such means of making known the services, business interest of the company as it may deem to expedient and in particular by advertising in the press, internet, radio, television and cinema, by circulars, by purchase, construction and exhibitions of work or at or general interest, by publication of books and periodicals, and by granting prizes, rewards and donations subjects to section 293A of Companies Act, 1956.

32. In the event of winding up, to distribute all or any of the property of the company amongst the members in specie or kinds or any proceeds or sale or

disposal of any property of the company subject to the provisions of the Companies Act, 1956.

33. To undertake, carryout, promote and sponsor development including and program for promoting the social and economic welfare or the uplift of the public in any rural area and to incur any expenditure on any program 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 promoting of rural development shall also include any program for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors considers it likely to promote assist rural development and that word rural area shall include such area as may be regarded as rural areas under section 35CC of the Income Tax Act, 1961 or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas.

34. To achieve greater growth of the national economy through increased productivity, effective utilisation materials and manpower resources, export promotion and continued application of modern techniques so as to discharge its social and moral responsibilities to the share-holders, employees, customers, local community and the society, and to undertake, carry out, promote and sponsor or assist 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 think fit and 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, newspaper or for organising lectures or seminars likely to advance these objects or for giving merit awards, or giving scholarships or other person to enable them to prosecute their studies, academic pursuits or researchers and for establishing, conducting, or assisting any institution, fund, trust having any one of the aforesaid objects as one of its objects by giving donations or otherwise in any other manner and two Directors may at their discretion in order to implement any of the above mention objects or purposes transfer without consideration or at such value as the Directors may think fit and driver the ownership of any property of the company to or in favour of any public or local body or authority or central or State Govt. or any public institutions or trust or funds or organisations or persons as the Directors may approve.

35. To act as principles, agents, contractors, trustees or otherwise by or through trustees, attorneys, agents or otherwise and either alone or in

conjunction with others and to establish offices, agencies or branches for carrying on any of the aforesaid objects in India or elsewhere in the world.

36. To grant leases, sub-leases or licenses in respect of land, buildings and tenements shops, offices, godowns, and other premises with or without furniture, fixtures, fittings, amenities therein.

**C. The Other objects of the Company not included in (A) & (B) above are**

1. To act as consultants and advisors in relation to any and all objects of the Company, including processing of designing of products, retailing, whole selling, setting up of distribution chains and other related fields.

2. To act as agents and brokers for sellers, buyers, exporters, importers, merchants, manufacturers, tradesmen, insurers and others and to undertake and carry out agency work of any kind whatsoever and transact all manners of agency and clearing and forwarding agents, representatives of manufacturers and to carry on the business or trade of stores suppliers, consultants, company promoters, landed proprietors, builders, contractors, and supplier of goods to government and other public and private bodies, department store operators, publishers, guarantee brokers, carried by land and water, charter parties newspaper owners, warehousemen, marine, fire and other insurers, and brokers and for this purpose to appoint and remunerate any Directors, accountants, experts or agents.

3. To design, produce, manufacture, purchase, sell, distribute, import, export or otherwise deal in all types of activities, services or materials relating to the business of the Company.

4. To purchase, acquire, take on lease and work, establish any mines & process, treat or deal in the material including by-products of mining & establish factory for processing, finishing, treating or conversion of the same into industrial & saleable material.

5. To carry on business as merchants, traders, commission agents, brokers, adaties or in any other capacity in India or elsewhere and to import, export, buy, sell, exchange, pledge, mortgage, advance upon or otherwise deal in goods, produce, articles and merchandise.

IV. The liability of the members is limited.

V. The Authorised Share Capital of the Company Rs. 1,00,000/- (Rupees one Lakh only) divided into 10,000 (Ten Thousand Equity Shares of Rs. 10/- (Rupees Ten only).



We, the several persons, whose names and addresses are hereunder subscribed below, are desirous of being formed into a company, in pursuance of this Memorandum of Association.

Sr No.	Signature name, address, description and occupation of each subscriber	No of equity shares taken by each subscriber	Signature of Subscriber	Name, address, description and occupation of witness and his signature
1	<p>Dinesh B. Vyas Occupation : Service S/O. Mr. Bhawanidutta Vyas Residing At Flat No. 402, Building No. 5, Ruby, Garden Estate CHS, Off. Pokhran Road No. 2, Thane (W), Thane – 400601 Being Authorized Representative For H. &amp; R. Johnson (India) TBK Limited (CIN - U45200MH1996PLC101892) Having Registered Office At Windsor, 7<sup>th</sup> Floor, C S T Road, Kalina, Santa Cruz (E), Mumbai 400098 Authorized Vide A Resolution Passed At The Meeting Of The Board Of Directors Of H. &amp; R. Johnson (India) TBK Limited Held On 1<sup>ST</sup> November, 2010 to apply and to subscribe To and sign the subscription page of the Memorandum Of Association and Articles Of Association For And On Behalf Of H. &amp; R. Johnson (India) TBK Limited.</p>	<p>5000 (Five Thousand)</p>	<p>For H. &amp; R. Johnson (India) TBK Limited  Sd/-  Authorised Signatory</p>	<p>Witness to the Subscribers 1 to 2 <b>BIMLENDU KUMAR</b> <b>B2, GAGAN CRESENT,</b> <b>3RD CROSS, ATMANANDA COLONY</b> <b>SULTANPALYA, R T NAGAR</b> <b>BANGALORE, KARNATAKA</b> <b>INDIA - 560032</b></p>
2	<p>Mr. Vasudev Venkata Ramiah Occ : Business S/o. Mr. Venkata Ramiah Residing At No. 9, Gover Road Coxtown Bangalore- 560005 Karnataka India</p>	<p>2500 (Two Thousand Five Hundred)</p>	<p>Sd/-</p>	

3	Mrs. Geetharani Shivananjaih Occ : Business W/o. Mr. Vasudev Venkata Ramiah Residing At No. 9, Gover Road Coxtown Bangalore- 560005 Karnataka India	2500 (Two Thousand Five Hundred)	Sd/-	
	Total number of shares	10000 (Ten Thousand)		

Place: Bangalore  
Dated: 02/12/2010

The Companies Act, 1956  
**(Company limited by shares)**  
**Articles of Association**

of

**TBK Venkataramiah Tile Bath Kitchen Private Limited**

**PRELIMINARY**

- 1) Subject as hereinafter otherwise provided, the regulations contained in Table "A" in Schedule 1 of the Companies Act, 1956 shall apply to the Company so far as they are applicable to Private Companies except so far as they have been impliedly or expressly modified or excluded by the regulations hereinafter contained.

**INTERPRETATION**

- 2) In these regulations:
  - i) "The Act" means The Companies Act, 1956 or any statutory modification or reenactment hereof for the time being in force.
  - ii) "Board" or "Board of Directors" means the Board of directors duly constituted from time to time and in case of a meeting of Directors duly convened and constituted the Directors duly assembled at any such meeting collectively.
  - iii) "Company" or "This Company" means **TBK Venkataramiah Tile Bath Kitchen Private Limited.**
  - iv) "Directors" means the Directors for the time being of the Company, or as the case may be the Directors assembled at the duly convened and constituted Meeting of the Board of Directors.
  - v) "HRJTBK" – means H. & R. Johnson (India) TBK Limited, a company established under the Companies Act, 1956 and having its registered office at Windsor, 7th Floor, C. S.T.

Road, Kalina, Santacruz (East) Mumbai-400 098 and being the co-promoter of the Company.

- vi) "Key Promoters" means the following persons.
  1. Mr. Vasudev Venkata Ramiah
  2. Mrs. Geetharani Shivananjaih
- vii) "Person" includes any individual, sole proprietorship, partnership, Limited Liability Company, unincorporated association, unincorporated syndicate, unincorporated organisation, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator, or other legal representative.
- viii) "Related Party" means Affiliates, directors or officers of the Company, Shareholders of the Company having shares representing over 1 % of the voting power of the Company any persons or entities related to or affiliated with any such Shareholder or director or officers of the Company or any other company, firm or entity in which such Shareholder or director has any beneficial interest whatsoever, whether directly or indirectly.
- ix) "The Seal" means the Common Seal of the Company.
- x) "Shares" means shares in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
- xi) "Registrar" means the Registrar of Companies.
- xii) "Relative" means a relative as defined by Section 6 of the Act.
- xiii) References made to any agreement in these articles shall include references to such agreement together with any schedules, annexures if any thereto and as amended, supplemented, varied, supplemented, modified or novated from time to time.

#### **PRIVATE COMPANY**

- 3) The Company is a Private Company within the meaning of Section 3(1) (iii) of Companies Act, 1956 and having the minimum paid up capital of Rs.1,00,000/- (Rupees One Lakh) or such higher capital as may be prescribed from time to time and accordingly:
  - a) No invitation shall be issued to the Public to subscribe for any shares in or debentures of the Company.
  - b) The number of members of the Company shall be limited to fifty not including
    - i) Persons who are in the employment of the Company, and
    - ii) Persons who having been formerly in the employment of the company were members of the Company while in that employment and have continued to be members after the employment ceased: provided that where two or more persons hold one or more shares in the Company jointly, they shall be treated as single member.
  - c) The right to transfer the shares of the Company is restricted in the manner and to the extent herein provided.

- d) Neither any invitation shall be issued nor acceptance of deposits shall be made from persons other than its directors or their relatives and members of the Company.
- 4) The Company shall have the power to alter the conditions of Memorandum related to Capital in any one or more manners as specified in Section 94 of the Act.

#### **SHARE CAPITAL**

- 5) The Authorised Share Capital of the Company shall be as mentioned in the Clause V of the Memorandum of Association of the Company as amended from time to time. The Company shall have power to increase and/or reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company, or as may be permitted by the provisions of the Companies Act, 1956 as amended from time to time.
- 6) The minimum paid up capital of the Company shall be Rs.1,00,000/ (One Lakh).
- 7) The shares of the Company shall be under the control and discretion of the Board who, may divide the shares into several classes subject to the provision herein contained and may allot, transfer or otherwise dispose of the same to such person or persons and may in their absolute discretion think fit and such shares may be issued at par or at a premium or (Subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper.
- 8) The Board may, with the sanction of a Special resolution of the Company, increase the share capital by such a sum to be divided into the shares of such amount, as the resolution shall prescribe.
- 9) The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.
- 10) Except as required by the law, no person shall be recognised by the Company as holding any share upon trust, and the Company shall not be bound by, or be compelled to recognise any equitable, contingent, future or partial interest in any fractional part of a share or (except only as by these regulations or by law otherwise expressly provided) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 11) Subject to the provisions of Section 80 of the Act, any preference shares may, with the sanction of an Special resolution, be issued on the terms that they are, or at the option of the Company be liable to be redeemed in such manner as the Company, before the issue of the shares, may by special resolution determine.
- 12) Subject to the provisions of the Act, the Company shall have power to issue shares which may have disproportionate voting rights.

**SHARE CERTIFICATES**

- 13) Every person whose name is entered as a member in the Register of Members shall, be entitled to a certificate under the common seal of the Company specifying the share or shares held by him and the amount paid up thereon, provided that in respect of shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of the several joint holders, shall be sufficient delivery to all.

**RESTRICTION ON MORTGAGE, CHARGE, PLEDGE OR LIEN ON SHARES**

- 14) No shareholder, shall at any time create or permit to subsist any mortgage, charge, pledge, lien, encumbrance or other security interest whatsoever on or over or in respect of all or any of his Shares or any interest therein or agree to do any of the foregoing unless the prior written consent of the other shareholders is obtained.

**CALLS ON SHARES**

- 15) The Board of directors may, from time to time, by resolution passed at a meeting of the Board and not by a circular resolution, make such call as they think fit, upon the members in respect of all moneys unpaid on the share held by them respectively (whether on account of nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times and each members shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board of Directors. A call may be made payable by instalments, and may be revoked or postponed at the discretion of the Board.
- 16) The proviso to Regulation 13 (1) of Table 'A' shall not apply and accordingly a call may exceed one-fourth of the nominal value of the share and be payable at any time regardless of the date fixed for the payment of the last proceeding call.
- 17) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest there on from the day appointed for payment thereof to the time of actual payment at twenty four percent per annum or at such lower rate, if any, as the Board may determine.
- 18) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 19) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the money so paid in advance, or upon so much thereof from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares an account of which such advance are made, the Board may pay or allow interest, at such rate not exceeding 15% per annum as the member paying the sum in advance and the Board agree. The Board may agree to repay at any time an amount so advanced or may at any time repay the same upon giving to the member three months notice in writing, provided that moneys paid in advance of calls or any shares may carry interest but shall not confer a right to dividend or to participate in profits.

**TRANSFER OF SHARES**

- 20) The Board may, at their absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares and in particular may so decline in respect of shares upon which the company has lien or whilst any member executing the transfer in either alone or jointly with any other person or persons indebted to the Company on any account whatsoever or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid shall not be affected by the fact that the proposed transferee is already a member. If the Board refuse to register the transfer of any share they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee and to the transferor notice of refusal.
- 21) Save as otherwise provided in these Articles, no share be transferred to any person who is not a member of the Company so long as any member or the family of the members or any person selected by the Board of Directors as the one desirable in the interest of the Company to admit to membership, is willing to purchase the same at the fair value to be determined in the manner hereinafter provided.
- 22) When in case of partly paid shares an application for registration is made by the transferor, 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.
- 23) The instrument of transfer of any shares shall be signed both by transferor and the transferee, and the transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation.
- 24) No shares shall in any circumstances be transferred to an insolvent or a person of unsound mind, and no shares other than fully paid-up shares shall be allotted or transferred to a minor.
- 25) No fees shall be charged by the Company for registration of transfer.
- 26) Nothing set out in Article 20 to 25, except Article 23, shall have any effect in case of transfer of shares in accordance with or in pursuance of any agreement if entered into between all the Equity Shareholders of the Company and the Board of Directors of the Company shall act accordingly.

**PROCEEDINGS AT GENERAL MEETING**

- 27) Twenty – one days notice at least, specifying the place, the day and the hour of General Meeting (whether annual or extra ordinary) and in the case of special business, the general nature of such business, shall be given to the members in the manner hereinafter mentioned or in such other manner as may be prescribed by the Company in General Meeting, but accidental omission to give such notice to or non-receipt of such notice by any member shall not invalidate the proceedings of the General meeting. A general meeting may, with the consent of all the members, be called at a shorter notice and in such manner as the members think fit.

- 28) No business shall be transacted at any general meeting unless the quorum of members is present. Two members present in person shall be a quorum for general meeting provided that for the purposes of constituting a valid quorum at least one of the nominees of HRJTBK should be present throughout the meeting.
- 29) The Chairman of the Board of Directors shall preside at a general meeting but if at any duly constituted meeting he shall not be present within 15 minutes after the time appointed for holding the same or is unwilling to preside, the members present shall choose a HRJTBK nominated Director as Chairman or if no Directors be present or if all the Directors present decline to take the chair, they shall choose some member present representing HRJTBK to be the chairman of the meeting.
- 30) On a show of hands every member of the Company holding equity share capital therein and present in person shall have one vote on every resolution or question placed before the Company and upon a poll every such member shall be entitled to one vote in respect of every equity share irrespective of the amount paid thereon.
- 31) Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or in the case of body corporate also by a representative duly authorised under section 187 of the Act.
- 32) Where there are joint registered holders of any shares, any one of such persons may vote at any meeting personally in respect of such shares as if he were solely entitled thereto and of more than one such joint holders be present at any meeting personally, then one of the said persons present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands and who are permitted to be present and to vote shall for the purpose of this article, be deemed joint holders thereof.
- 33) A member of unsound mind or in respect of whom an order has made by any court having jurisdiction of lunacy may be permitted to be present and to vote, whether on a show of hands or on poll, by his committee or other legal guardian and any such committee of guardian may in such a case on a poll, vote, provided that the evidence of the authority of the person claiming to vote shall have been accepted by the Board before the time of holding the meeting.
- 34) A vote given in accordance with the terms of an instrument shall be valid notwithstanding the previous death of the principal or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death or transfer, shall have been received at the office before the meeting.
- 35) No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote given, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.



- 36) On a poll taken at a meeting of the Company, a member entitled to more than one vote 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 used.

#### **DEMAND FOR POLL**

- 37) At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of show of hands) demanded by any one member present if not more than seven such members are present in person and by two such members present in person if more than seven such members are personally present and unless a poll is so demanded, a declaration by the Chairman that the resolution on a show of hands, has been carried or has not been carried either unanimously or by a particular majority and on entry to that effect in the Minute Book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution. On a poll being demanded every member present in person shall have one vote for every shares of any class held by him.

#### **BOARD OF DIRECTORS**

- 38) Unless and until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than two and more than four including all kinds of Directors.
- 39) The First Directors of the Company shall be :
- i) Mr. Vasudev Venkata Ramiah
  - ii) Mr. Dinesh B. Vyas
- 40) Director need not hold any shares in the capital of the Company to qualify him to be a director of the Company
- 41) The Board of Directors will have power to appoint additional Directors, subject to the maximum mentioned above, who shall hold office until the next General Meeting but, however, such additional Directors shall be eligible for re-appointment at the General Meeting.
- 42) The Board of Directors shall have power at any time and from time to time to appoint any one or more persons as specified or technical or patron Administrative Directors or Directors for such time and on such terms as they may determine. Such Directors or Directors, may not be required to hold any qualification shares, and shall be paid such remuneration or commission as may be determined by the Board.
- 43) Without prejudice to any other provision contained in these Articles but subject to the provisions of the Act, the Company shall not without prior written consent of HRJTBK, enter into any contract with any Related Party for supply of goods and / or provision of services required to carry on the Business of the Company.

- 44) Subject to compliance with section 297 of the Act or any other provision contained in these Articles, a Directors or his relative, a firm in which such Directors or relative is a partner, any other partner in such firm or a Private Company of which the Director is a member or Directors, shall be capable of entering into any contract with the Company for the sale, purchases or supply of any goods, material or services or for underwriting the Company's shares or debentures.
- 45) Every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement shall disclose the nature of his concern or interest at a meeting of the Board. Such disclosure should be made at the first meeting of the Board at which such contract or arrangement is taken into consideration.

#### **PROCEEDINGS OF THE BOARD**

- 46) The Board of Directors may meet together for the despatch of business, adjourn and otherwise regulate their meeting and proceeding as they think fit.
- 47) A notice specifying the place, the date and the hour of the meeting of the Board will be given to all the Directors then in Indian and at their usual residential address to other Directors.
- 48) A Meeting of the Board of Directors shall be held at least once in every three calendar months as required by Section 285 of the Act or any statutory modification thereof.
- 49) HRJTBK nominated director shall be appointed as Chairman of the Board of directors.
- 50) A Director may and on the request of Board the Secretary or Manager shall at any time summon a meeting of the Board. A Director, who is not in India, shall be entitled to a notice of a meeting of the Board at his usual residential address in India.
- 51) All decisions of the Board whether taken at a meeting of the Board or by resolution passed by circulation shall be passed by majority vote of the Directors provided however that no resolution shall be passed and/or no decision shall be taken at any meeting of the Board or any committee of the Board on any matter unless the affirmative vote of at least one nominee director of BC IPL and the Trust is obtained.
- 52) No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in the draft, together with the necessary papers, if any, to all the Directors, to all the Members of the Committee at their respective addresses provided for such purpose and has been approved by a majority of such of the Directors or Members, of the Committee.

#### **REMUNERATION AND FEES OF DIRECTORS**

- 53) The Directors may be paid such fees for attending meeting of the Board or a Committee as may be determined by the Board / Company from time to time.
- 54) In addition to the remuneration payable to them under the provisions of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them in attending and returning

from the meetings of the Company or in connection with the business of the Company by the Board / Company from time to time.

- 55) Any Director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary percentage of profit or royalty or otherwise as may be determined by the Board / Company from time to time.

#### **MANAGING DIRECTOR**

- 56) The Board may, from time to time appoint one or more of their body to be Managing Director/Joint Managing Director or Whole-time Director or Technical Director or Executive Director of the Company either for a fixed term or without any limitation as to the period for which he/she or they is/are to hold such office and may from time to time (subject to the provisions of any contract between him/her and the Company) remove or dismiss him/her or them from office and appoint another or others in his/her or their place or places (shall ipso facto and immediately cease to be Managing Director, Joint Managing Director, Whole-time Director or Technical Director or Executive Director respectively).
- 57) The Managing Director, Joint Managing Director, Whole-time Director Technical Director or Executive Director shall be subject to the same provisions as the resignations, etc, as the other Director of the Company and if he ceases to hold the office of a Director, he/they shall ipso-facto and immediately cease to be Managing Director, Joint Managing Director, Whole-time Director, Technical Director or Executive Director respectively.
- 58) The remuneration of a Managing Director, Joint Managing Director, Whole-time Director, Technical Director and Executive Director shall (Subject to the provisions of any contract between him/her and the Company) from time to time be fixed by the Board and may be by way of fixed salary or allowances or commission or participation in profit of the Company or of any other Company in which the Company is interested or by any or all of these modes.
- 59) Notwithstanding anything in these articles contained, but subject to the provisions of Section 297, 298, 301 and 302 of the Act, the Managing Director, Joint Managing Director, Whole-time Director, Technical Director and Executive Director is expressly allowed to work for and contract with the Company and specially to do the work of the Company as provided by the preceding articles and to do any work of the Company upon such terms and conditions and on such remuneration as the Board shall determine from time to time.

#### **POWERS OF THE BOARD**

- 60) The business of the Company shall be managed by the Board who may exercise all such powers of the Company as are not prohibited by the Act, or any statutory modification thereof for the time being in force, or any provision of any agreement entered into by all the Equity shareholders, or by these Articles required to be exercised by the Company in General Meeting, but no regulation

made by the Company in General Meeting shall invalidate any prior act of the Director which would have been valid if that resolution had not been made.

- 61) Subject to the provisions of the Act and these Articles but without prejudice to the General Powers conferred by the last preceding Articles and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by these Articles, the Board shall have power from time to time at their discretion to borrow any sum or sums of money for the Company and also to accept deposits from members of the Company either in advance of calls or otherwise and generally to raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.
- 62) Subject to the provisions of the Act and these Articles, the payment or repayment of any sum or sums of money borrowed by the Company may be raised or secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by the issue of bonds, perpetual or redeemable debenture stock or any mortgage or charge or other security on the undertaking or on the whole or any part of the property of the Company (both present or future) including its uncalled capital for the time being.
- 63) Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for benefit of the Company.
- 64) Whenever the Company /Board enter into a contract with any Government, (Central, State or Local), any bank or financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee, or security for technical collaboration or assistance or for undertaking or enter into any other arrangement whatsoever, the Board shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such condition as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation, not be required to hold any qualification shares. The Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or other in his or their places and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of these rights and privileges exercised and enjoyed by the Directors of the Company including payment or remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

#### **DEBENTURE DIRECTOR**

- 65) Any Trust deed for securing debentures or debenture stock may, if so arranged provide and such provision shall entitle the Trusts thereof the holders of the debenture or debenture stock, as the case may be, to appoint one person as a Director on the Board of Directors of the Company with

power to remove any Director so appointed and on a vacancy being caused in such office for any cause, whether by resignation, death, removal or otherwise to appoint another person as a Director of the Company. The Director appointment under this Article is hereinafter referred to as "Debenture Directors" and the term "Debenture Director" means a Director for the time being in office under this Article. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation, or subject to the provisions of the Act, be removed by the Company. The Trust Deed may contain any ancillary provisions as may be arranged between the Company and the Trustees, and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

#### **DELEGATION**

- 66) The Board may subject to the provisions of the Act from time to time delegate any of their powers to Committees consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated conform to any regulation that may from time to time be imposed upon it by the Board.

#### **MANAGER**

- 67) A Manager may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit and Manager so appointed may be removed by the Board. A Director may be appointed as Manager subject to the provisions of section 197A of the Act.

#### **GENERAL AUTHORITY**

- 68) Wherever in the said act it has been provided that the Company shall have any right, privileges or authority or that the Company could carry out any transactions only if the Company is so authorised by its Articles, then and in that case these regulations hereby authorise and empower the company to have such right, privilege or authority and to carry such transactions as have been permitted by the Act without there being any specific regulations in that behalf herein provided. Following rights, powers, privileges, authorities and transactions sets out hereunder states some of such powers and same shall not be construed to be the complete list.

Section 76 to pay commission on issue of shares and debentures;

Section 77A to buyback/purchase its own securities;

Section 80 to issue Redeemable preference Shares;

Section 92 to accept unpaid share capital although not called-up;

Section 94 to alter the share capital of the Company;

Section 95 to pay dividend in the proportion of the amount paid-up;

Section 208 to pay interest out of capital in certain cases;

Section 265 to adopt proportional representation for the appointment of Directors;

Section 300 to have disinterested quorum;

Section 313 to authorise the Board to appoint alternate Directors;

The above list of powers/authorities is an illustrative list and the Company/Board shall have all such powers/authorities as may be provided in the Act (as amended from time to time) which requires the same to be provided in the Articles for acting upon such powers/authorities or take any action or do any thing as per such provisions.

## **RESOLUTION OF DISPUTES AND DIFFERENCES**

69)

- 69.1) Any dispute [including but not limited to any difference between the directors of the Company or and any resolution which has been proposed to but not passed by the Shareholders or the Board on account of a deadlock], arising out of or with respect to the Management of the company shall be dealt with in accordance with the provisions of this Article 69.
- 69.2) All disputes as specified in Article 69.1 shall, to the extent possible, be settled amicably by prompt negotiations between the representatives of the Shareholders. Initially one director nominated by HRJTBK on the Board and the Managing Director, if any appointed or in case of no Managing Director so appointed, the director nominated by the other Shareholder shall meet and try to resolve the dispute within 30 days. Failing resolution of the dispute by the representatives of HRJTBK and the Managing Director or other director as the case may be, the dispute shall be taken up by a panel set up by HRJTBK and the Key Promoters comprising of one of the Key Promoters, a representative of HRJTBK who may be employee of HRJTBK with the rank of the President or a similar or a higher rank which panel shall try to resolve the dispute within 15 days. In the event of any failure to settle the dispute by mutual negotiations within 45 days of the commencement of the negotiations by the aforesaid panel the issue shall be resolved by arbitration in Mumbai in accordance with the provisions of the Arbitration and Conciliation Act, 1996 on the application of any of the Shareholders as follows. The arbitration shall be conducted in the English language.

Unless the Shareholders agree on a sole arbitrator, the arbitral tribunal shall consist of three members. In case of disagreement as to the appointment of a sole Arbitrator, each Shareholder shall select one arbitrator and the arbitrators so appointed shall select one arbitrator. The arbitrator selected by the arbitrators shall be the chairperson of the arbitral tribunal and shall be conversant with the Business.

The arbitral tribunal shall have the authority to award all forms of relief determined to be just and equitable; provided, however, that the tribunal shall have no authority to award punitive or exemplary damages, or any other damages not measured by the prevailing Shareholder's actual loss.

Any arbitral award entered by the tribunal shall be final and binding on the Shareholders and may be enforced in any court of competent jurisdiction.

- 69.3) Where a dispute is to be resolved by binding arbitration and the dispute concerns any difference between the directors of the Company or any resolution which has been proposed to but not passed by the Shareholders or the Board on account of a deadlock, the provisions of Article 69.2 shall be varied as follows.

The sole arbitrator/chairperson of the arbitral tribunal should have the requisite qualifications and should be conversant with the business issue which has resulted in such difference/deadlock.

- 69.4) Each Shareholder agrees that time is of the essence in resolving disputes. Each Shareholder shall fully co-operate to avoid unnecessary delay in reaching resolution of these matters. Neither Shareholder shall be required to post security by way of a bank guarantee or other collateral to initiate a resolution of a dispute pursuant to the provisions of this Article 69 other than for the administrative costs of proceeding with the dispute resolution process.

- 69.5) In the event of a binding award pursuant to this Article 69, the Shareholders shall comply with the same within the timescale stipulated.

## **SEAL**

- 70) The Company shall have common seal and Board shall provide for the safe custody thereof. The seal shall not be applied 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 in the presence of one Director or such other persons as the Board/Committee may appoint for the purpose and such Director or authorised person, shall sign every instrument to which seal of the Company is so affixed in his presence.

## **ACCOUNTS**

### **Proper Books of Accounts**

- 71) The Company shall keep at its Registered Office or such other place as may be decided by the Board proper books of accounts giving true and fair view of the Company.

**Annual Accounts**

- 72) As per the provisions of the Act, Board shall cause to be prepared and placed before the Company in the Annual General Meeting audited Balance Sheet and profit and Loss Account copy of which should be sent to all the members entitled thereto.

**AUDIT**

- 73) The accounts of the Company shall be audited by the Auditors appointed as per the provisions of the Act. The Accounts when audited and approved at the Annual General Meeting shall be conclusive.

**DIVIDENDS AND RESERVES**

- 74) The Company may distribute all of the distributable profits. Dividend shall be paid within prescribed period after obtaining the requisite approvals.
- 75) The Board shall recommend any dividend.
- 76) The Board may from time to time before recommending any Dividend, set apart any such portion of the profits of the Company as it thinks fit as Reserves to meet contingencies or for such other purposes of the Company as the Board in its absolute discretion think conducive to the interest of the Company; and may, subject to the applicable provisions of the Act, invest the sums so set aside as it may think fit, and from time to time deal with and vary such investments and dispose off, all or any part thereof for the benefit of the Company and may divide the Reserves into such special funds as it may deem fit, with full power to employ the Reserves or any part thereof in the business of the Company, and that without being bound to keep separate from the other assets of the Company.
- 77) The Company in General Meeting may declare a dividend to be paid to members, but no dividend shall exceed the amount recommended by the Board.
- 78) The Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company.
- 79) The Company in General Meeting may, upon the recommendation of the Board, resolve to capitalise any part of the amount for the time being standing to the credit of any of the Company's Reserve accounts, Share Premium account or to the credit of the Profit and Loss account or otherwise available for distribution as Bonus Shares.
- 80) Subject to the rights of the member entitled to shares with preferential rights attached thereto the profits of the Company shall be divisible amongst the members in proportion to the amount of capital paid-up or credited as paid up with respect to the shares held by them. The amount paid up in advance of calls upon any share shall not however carry a right to a dividend or to participate in profits.



## **SECRETARY**

- 81) The Board may from time to time on such terms and conditions appoint or remove any individual or firm to perform any functions required to be performed by secretary under the Act and to execute such other work as may be decided by the Board.

## **NOTICE**

### **Notice by Company**

- 82) Any document or notice may be served by the Company to any member or officer of the Company under the signature of the Director or such other authorised person, even personally or through post.

### **Notice to the Company**

- 83) Any document or notice may be served by member to the Company by sending it to the address of the registered office and addressed to the Company or its officer and sent through post.

## **WINDING UP**

- 84) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with sanction of a special resolution or any other sanction required by the Act, divide amongst the members in specie or kind any part of the assets of the Company as trustees upon trust for the benefit of the members or any of them as the Liquidator with the like sanction, shall think fit.

## **INDEMNITY**

- 85) Subject to 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 discharged or in connection with any application under section 633 in which relief is granted to him by the Court.

## **ALTERATION IN ARTICLES OF ASSOCIATION**

- 86) The Company may from time to time alter, add to amend or delete any of the existing Articles of the Articles of Association of the Company or may add a new Article thereto or adopt a new set of articles in accordance with the provision of the Companies Act, 1956.

- (a) In case of contradiction between, the provisions of a Agreement (including all amendments thereto) if any entered into inter alia between or all the Equity Shareholders of the Company (including share holders holding any voting rights similar to that of the Equity Share holders) or any Agreement of the like nature or

effect and any provision of these Articles, the provisions of such Agreement shall prevail.

87) In case of contradiction between the provisions of any Agreement as stated in Article 86 and provisions of the Companies Act, 1956, the provisions of the Companies Act, 1956 shall prevail.



We, the several persons, whose names, addresses, descriptions and occupations are hereunder subscribed below, are desirous of being formed into a company in pursuance of these Articles of Association.

Sr No.	Name, address, description and occupation of each subscriber	Signature of Subscriber	Name, address, description and occupation of witness and his signature
1	<p>Dinesh B. Vyas Occupation : Service S/O. Mr. Bhawanidutta Vyas Residing At Flat No. 402, Building No. 5, Ruby, Garden Estate CHS, Off. Pokhran Road No. 2, Thane (W), Thane – 400601 Being Authorized Representative For H. &amp; R. Johnson (India) TBK Limited (CIN - U45200MH1996PLC101892) Having Registered Office At Windsor, 7<sup>th</sup> Floor, C S T Road, Kalina, Santa Cruz (E), Mumbai 400098 Authorized Vide A Resolution Passed At The Meeting Of The Board Of Directors Of H. &amp; R. Johnson (India) TBK Limited Held On 1<sup>st</sup> November, 2010 to apply and to subscribe to and sign the subscription page of the Memorandum Of Association And Articles Of Association For And On Behalf Of H. &amp; R. Johnson (India) TBK Limited.</p>	<p>For H. &amp; R. Johnson (India) TBK Limited</p> <p>Sd/-</p> <p>Authorised Signatory</p>	<p>Witness to the Subscribers 1 to 2</p> <p><b>BIMLENDU KUMAR</b> <b>B2, GAGAN CRESENT,</b> <b>3RD CROSS, ATMANANDA COLONY</b> <b>SULTANPALYA, R T NAGAR</b> <b>BANGALORE, KARNATAKA</b> <b>INDIA - 560032</b></p>
2	<p>Mr. Vasudev Venkata Ramiah Occ : Business S/o. Mr. Venkata Ramiah Residing At No. 9, Gover Road Coxtown Bangalore- 560005 Karnataka India</p>	<p>Sd/-</p>	

3.	Mrs. Geetharani Shivananjaih Occ : Business W/o. Mr. Vasudev Venkata Ramiah Residing At No. 9, Gover Road Coxtown Bangalore- 560005 Karnataka India	Sd/-	
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Place: Bangalore  
Dated: 02/12/2010