
MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
CAPITAL BUSINESS SYSTEMS LIMITED

The word ~~private~~ has
been deleted 4043 AD
of the Com. Act - 1956.
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dt. 1.7.75.



Form I. R.

CERTIFICATE OF INCORPORATION

Registrar of Companies

NCT of Delhi & Haryana

No. 7505 of 19.74-75

I hereby certify that **CAPITAL BUSINESS SYSTEMS**

LIMITED

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

that the Company is situated at

NCT of Delhi & Haryana at **NEW DELHI**

this **THIRTY-FIRST** (31st) day of **OCTOBER** (KARTIKA)

One thousand nine hundred and **SEVENTY FOUR** (SAKA-1996)



Registrar of Companies

DELHI & HARYANA

FURTHER TRUE COPY

Asstt. Registrar of Companies
NCT of Delhi & Haryana

27/09/75

(SEAL)

FORM I. R.

CERTIFICATE OF INCORPORATION

No. 7505 of 1974-75

I hereby certify that CAPITAL BUSINESS SYSTEMS
LIMITED is this day incorporated
under the Companies Act, 1956 (No. 1 of 1956) and that
the Company is Limited.

Given under my hand at New Delhi.
this Thirty-First (9th) day of October (Kartika)
One thousand nine hundred and Seventy four
(Saka-1896)

Seal of the
Registrar of Companies
Delhi & Haryana

Sd/-
(S. KUMAR)
Registrar of Companies
Delhi & Haryana

(The Companies Act, 1956)

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

Capital Business Systems Limited

- I. The name of company is **CAPITAL BUSINESS SYSTEMS LIMITED**
- II. The Registered office of the company will be situated in the Union Territory of Delhi.
- III. The main objects to be pursued by the company on its incorporation are :—
 1. To carry on the bussiness of dealers in paper and paper products, loose leaf binders, their index and sheets, office and school stationery, stamp pads, carbon papers, ribbons, tele-printer-rolls, continuous stationery, folders, files and filing cabinets, packing materials, containers, cartons foils, boxes, cans, casks, recepticals, packages and all other allied things made of paper, board, straw board, plastic, cellophane, polyethelene, aluminium, iron, tin, metal, fibre, glass, wool, cotton, rubber, hessian, grass, hay, saw-dust and other commidity commonly and conveniently used for such purposes.
 2. To carry on the business of manufacturers of graph papers, graphic equipment, sheets, system control and to undertake specialised jobs for the processing and data processing and other like and allied jobs to lessen the inconvenience of the business community, traders, scientific and educational institutions, examining bodies and to provide other data process facilities to the public.
 3. To carry on the business of printers, off-set printers, engravers, Lithographers, half-tone colour printers and publishers of books, newspaper, periodicals, magazines, diaries, calendars, editions, booklets, brochures, catalogues, folders, cartons, job-contractors and to undertake assignments of all types and sorts and all other activities of any kind commonly carried on by the persons connected with the above lines of business.
 4. To act as "(a) Merchant Bankers, Registrar to issues and Securities Transfer Agents including Manager / Consultant / Advisors to issues (b) data processing agents agents (c) advisors, consultants for dissemination of information on capital market."

B. The objects incidental or ancillary to the attainment of the main objects are :—

1. To acquire and take over the whole or any part of the business, goodwill, trade-mark, property and liabilities of any person or persons, firm, corporation or undertaking, either existing or new engaged in or carrying on and conducting any business which this Company is authorised to carry on and to pay for the same either in cash or in shares or partly in cash and partly in shares.
2. To purchase or otherwise acquire, construct, carry out, equip, maintain, alter, improve, develop manage, work, sell, let on hire, deal in, control and superintend any factories, plants, ware-houses, workshops, sheds, dwellings, offices, shops, stores, buildings, telephones, electric and gas works and power plants and all kinds of works, machinery, apparatus, labour lines and houses, wharves, furnaces, crushing works and other works and conveniences which may seem directly or indirectly necessary or conducive to any of the objects of the Company and to contribute to, subsidize or otherwise assist by taking part in any such operations.
3. To refine, manipulate, repair, alter, exchange, purchase, sell, export, import, deal in or let on hire all kinds of goods, commodities, substances, works, plants, machineries, appliances, apparatuses, tools and implements and other articles, chattels and things which may be necessary or advantageous to the Company in connection with its objects.
4. To purchase, take on lease or tenancy or in exchange, hire, renew, or otherwise acquire and hold any estate or interest and to let or sublet, in whole or in part, develop, manage and exploit lands, buildings, machineries, easements, right, privileges, plants, stocks-in-trade, business concerns, options, contracts, claims, choses-in-action and any real and personal property of any kind necessary or convenient for any business of the Company.
5. To acquire, hold and deal in stocks, shares, debentures, debenture stock, bonds, obligations or securities issued by any company carrying on or authorised to carry on any business which the Company is authorised to carry on or which is capable of being conducted so as directly or indirectly to benefit the Company.
6. To negotiate and enter into agreements and contracts with foreign individuals, companies, corporations and other organisations for technical, financial or any other assistance for carrying out all or any of the objects of the Company or for the purpose of activating research and development of manufacturing projects on the basis of know-how, financial participation or technical collaboration and acquire necessary formulae, patent rights, for furthering the objects of the Company.
7. To procure the registration or recognition of the Company in any country or place in any part of the world.
8. To enter into partnership or any arrangement for profit sharing, union of interest, exchange of shares, joint-ventures, reciprocal concessions or co-operation with any person or

company connected with the Company's business carrying on or engaged in or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in or any business or transaction capable of benefiting the Company and to subsidize, assist, co-operate or enter into any arrangement, whatsoever with any such person or company.

9. To amalgamate with any other company having all or any of its objects similar to the objects of the Company in any manner, whatsoever whether with or without a liquidation of the Company.
10. To apply for, obtain, purchase or otherwise acquire and protect, prolong and renew any patents, patent rights, brevets d' inventions, processes, trade secrets, scientific or technical or other assistance, manufacturing processes, know-how and other information, designs, patterns, copyrights, trade-marks, licences, concessions and the like rights or benefits or right of use thereof, which may seem capable of being used for or in connection with any of the objects of the Company or the acquisition or use of which may seem calculated directly or indirectly to benefit the Company on payment of any fee, royalty or other consideration and to use, exercise or develop the same and manufacture under or grant licences in respect thereof or sell or otherwise deal with the same.
11. To establish, for any of the objects of the Company, branches or to establish any firm or firms or promote any company or companies at places in or outside India as the Company may think fit.
12. To undertake research work and to expend money in experimenting and testing and in improving or seeking to improve and giving publicity to the business and products of the Company and its constituents and associates and popularise brands in Indian and foreign markets by means of press advertisement, pamphlets, handbills, circulars, advertisement reels, posters, cinema slides or by publication of books, periodicals and magazines; by purchase and exhibition of works of art, by granting rewards, prizes and donations and by any other suitable means and by placing upon the market any products which the Company may or may propose to manufacture or to distribute any patents, inventions, processes, information or rights which the Company may acquire or lease or propose to acquire.
13. To invest and deal with the moneys of the Company, not immediately required, in or upon such investments (other than shares in the Company) and in such manner as may from time to time be determined.
14. To lend money to, or receive money on deposit or loan for the purpose of financing the activities of the Company from, such persons, firms or companies and on such terms as may seem expedient, and in particular to customers of, or any other person having dealings with the Company but not amounting to banking business as defined in the Banking Regulation Act, 1949.
15. To give any guarantee in relation to the payment of any debentures, debenture-stocks, bonds, obligations or securities, and to guarantee the payment of interest thereon or of dividends on any stock or shares in any company and generally to guarantee or become sureties for the performance of any contracts, debts or obligations of any person, authority or company, connected with the Company's business.

16. To borrow, raise or secure the payment of money for the purposes of the Company in such manner as the Company shall think fit, and in particular by the issue of debentures, debenture stock, perpetual or otherwise, charged upon all or any of the Company's property both present and future, including its uncalled capital and to purchase, redeem or pay such securities and to mortgage, pledge or charge the undertaking and all or any of the real and personal property, present and future.
17. To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities and to open bank accounts, current, overdraft or saving and to operate the same.
18. To send out to foreign countries, its directors, employees or any other person or persons investigating possibilities of any business or trade or for procuring and buying any machinery or establishing trade connections or in promoting the interest of the Company and to pay expenses incurred in this connection.
19. To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.
20. To pay out of the funds of the Company all costs, charges and expenses of and incidental to the formation and registration of the Company and any company promoted by the Company and upon the issue of the capital of the Company and also all costs, charges, duties, impositions and expenses of and incidental to the acquisition by the Company of property or assets incidental to the accomplishment of all or any formalities which the Company may think necessary or proper in connection with any of the matters aforesaid.
21. To pay for any property or rights acquired by or for any services rendered to the Company either in cash or fully or partly paid-up shares, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or by any securities which the Company has power to issue or by the grant of any rights or options, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
22. 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.
23. To sell, lease, exchange or otherwise deal with or dispose of the undertaking and all or any part of the property, assets, rights and effects of the Company or any part thereof for such consideration as the Company may think fit, subject to the provisions of the Companies Act, 1956 or any other law for the time being in force.
24. To distribute among the members in specie and property of the Company or any proceeds of the sale or disposal of any property of the Company in the event of winding up but so that

distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.

25. To grant pensions, allowances, gratuities and bonuses to existing or former employees and officers (including directors) of the Company or their dependants or connections and to make payments towards insurance for any such person and to establish, join and support trusts, funds or schemes, whether contributory or non-contributory, with a view to provide pensions or allowances for such persons or to make contributions to other associations, institutions, trusts funds, schemes, clubs or conveniences calculated to benefit such persons.
26. To compensate for loss of office any Managing Director or Directors or other officers of the Company within the limitations prescribed under the Companies Act, 1956, or other statute or rule having the force of law and to make payments to any persons whose office of employment or duties may be determined by virtue of any transaction in which the Company is engaged.
27. To make donations to such persons or institutions either in cash or in other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to the Company and to subscribe, contribute or otherwise assist or guarantee money to charitable, scientific, religious, benevolent, national, public or other institutions and objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences for the benefit of the employees or of persons having dealings with the Company or to dependants, relatives or connections of such persons and in particular friendly or other benefit societies and to grant pensions, allowances, gratuities and bonuses by way of either annual payments or a lump sum and to make payments towards insurance and to form and contribute to provident and benefit funds of or for such persons.
28. To purchase or otherwise acquire or undertake the whole or any part of the business, assets and liabilities, including shares, stocks, bonds, debentures, mortgages or other obligations of any other company, corporation or person carrying on any business similar to the business of the Company or possessed of any property or rights suitable for the purposes of the Company and to acquire the business of such company or corporation by any means other than by purchase in the ordinary way.
29. To apply for and obtain any Act of Parliament, charter, privilege, concession, licence or authorisation of any government, state or municipality or provisional order or licence of any authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for any other purpose which may seem expedient and to make representations against any proceedings or applications which may seem to prejudice, directly or indirectly, the interests of the Company.
30. To agree to refer to arbitration and to refer to arbitration present or future, between the Company and any other company, firm or individual and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign system of law.

31. To appoint agents, sub-agents, dealers, managers, canvassers, sales representatives or salesmen for transacting all or any kind of business which this Company is authorised to carry on and to constitute agencies of the Company in India or in any other country whatsoever and to establish depots and agencies in different parts of the world.
32. To accept and to make, gifts in property, movable or immovable in or outside India and 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 trade, industry or commerce.
33. To carry on any other business that may seem to be capable of being carried on conveniently or advantageously in connection with the above objects or calculated, directly or indirectly, to enhance the value of or render profitable any of Company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to benefit 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, sub-contractors, trustees or otherwise.
34. To carry on the business of planters, grovers and cultivators of rubber, gutta-purca, balata cinchona and other products of the soil, plants and trees, and to mature, mellow, neophyte proselyte, pervert, transmute, grow, cultivate, plant, graft, prune and vegetate such products for the purposes of the business of the company.

C. The other objects for which the Company is established are :—

1. To carry on the business of manufacturers, dealers, hirers, repairers, cleaners and storers of motor cars, motor cycles, scooters, motors, motor boats, motor launches, motor buses, motor lorries, motor vans, aeroplanes, sea planes, gliders and other conveyances of all descriptions, whether propelled or assisted by means of petrol, spirit, steam, gas, electricity, animal, atomic or any other power and of engines, chassis, bodies and other things used for or in connection with the above mentioned.
2. To carry on the business of makers and manufacturers of and dealers in, articles of any description, made or prepared with rubber or leather, natural or synthetic and such other businesses and processes in connection with the above mentioned businesses as are customarily carried on in connection therewith or are natural or incidental thereto.
3. To carry on the business of exporters and importers, buyers, sellers, processors and manufacturers of and in general to export and import, both traditional and non-traditional items, industrial, mineral and agricultural commodities, handicrafts and household goods and all other allied articles of all kinds commonly dealt in by persons carrying on any of the activities aforesaid.
4. To carry on the business of drapers, costumiers, robe, dress and mantle makers, tailors, silversmiths, makers and suppliers of princely wears, clothing, lingerie and trimmings of every description.

corset makers, furriers, general drapers, haberdashers, milliners, hosiers, glovers, lace makers and dealers, feather dressers and merchants, hatters, dealers in fabrics and materials, all kinds of synthetic fibers and hand spun, hand woven, khadi, cotton, silk and woolen fabrics and to deal in all other kinds of materials as may be conveniently carried on with the above business.

5. To carry on the business by wholesale or retail, whether manufacturing or otherwise, of house furnishers, upholsterers and dealers in and hirers, repairers, cleaners, stores and warehouses of furniture, carpets, linoleums, furnishing fabrics and other floor coverings, household utensils, china and glass goods, fittings, colourful curtains, hand-made home furnishings and carpets, household requisites of all kinds and all things capable of being used for or in the maintenance and repair thereof.
6. To carry on the business of hoteliers, moteliers, restaurant owners, sweetmeat merchants, refreshment room proprietors, refreshment contractors and to have garages, shops, stores, rooms, godowns, bars, refreshment rooms, cafeterias, discotheques, restaurants and other places for safe custody, bailment, deposit or protection of the valuable goods and commodities.
7. To carry on business as brewers, distillers, bottlers, canners, preservers, coopers, dehydrators, maltsters, manufacturers, dealers and merchants of fruits, herbs, vegetables, plants and liquors of every description, including Indian made foreign liquors, country liquors, by-products therefrom, whether intoxicating or not, tonics, vitamin-beverages, flavoured drinks, nectars, punch, aerated waters and drinks.
8. To carry on the business of motion pictures, colour photography, cinematograph pictures, renters, producers, exhibitors, distributors and to present, produce, manage, conduct and represent all or any of the businesses of theatre, music hall, concert hall, ball room, cinema, picture place, cabaret show, circus and hippodrome proprietors or agents, box-office keepers, showmen, songs, music, plays, programmes, dramas, comedies, operas, burlesques, pantomimes, revues, promenades, concerts, ballets, musical, variety and other entertainments for public, social, cultural and private amusements.
9. To deal in foreign exchange and currencies and to convert currencies subject to the approval of appropriate authorities.
10. To sell, breed, import, export, improve, prepare, deal and trade in cattle, pigs, birds, poultry, game, live and dead-stock of every description, milk, cream, butter, cheese, eggs, pork-pies, sausages, pickles, spices, sauces, jams, jelly, custard, brawn, potted meats, macaroni, spaghetti, table delicacies, bread, biscuits, wine biscuits, and other farinaceous goods and products, tea, coffee, cocoa, confectionery, cakes, buns and any other allied commodities, provisions, goods, or things at any place or places.
11. To carry on all or any of the trades and the businesses of meal manufacturers, dealers in consumable stores and provisions of all kinds, food stuffs, grains, flour, seeds, fodder, cane, oils, corn, wheat, wheat products, stores, vegetable oils, ghee, vanaspati products and allied products and to establish farms, dairy farms, vegetable and fruit gardens, agricultural farms and estates and to act as farmers, grafters, cultivators, grinders, agriculturists, horticulturists, fruiterers, grocers, market gardeners, leadrollers, millers, bakers, confectioners and butchers.

12. To carry on the business of manufacturing, dyeing, colouring, spinning and weaving of all fabrics and other fibrous substances and preparations and manufacturers of and dealers in cotton, silk, woollen, linen, hemp, jute, rayon, nylon, artificial silk and other yarn, and all kinds of woven synthetic and synthetic blended fabrics manufactured from such yarn, all kinds of imitation leather and rubbers, waterproof goods and articles manufactured therefrom, dress preservers, dress linings, boot linings, trunk linings, umbrellas, parasols, flags, tents, picture frames, artificial flowers, floor cloths, table cloths, American cloths, paper and articles made from paper or pulp.
13. To carry on the business of manufacturers of and dealers in plastics, synthetic resins, natural resins, polymer products and chemicals required for the manufacture, processing and fabrication of plastics and similar other products, tubes, pipes, sheets, films, whether moulded, extruded, casted, formed or foamed, products of consumer, industrial and commercial interest.
14. To deal in, manage, subscribe for, purchase or otherwise acquire and sell, dispose of, exchange, hold and deal in diamonds, gems, stones, jewellery, bullion, metals, cotton, grams, seeds, shares, stocks, bonds, debentures, debenture stock, public securities or other securities issued by any authority, Central, State, Municipal, local or otherwise, precious stones, pearls, coins, cups, medals, valuables, shields, curios, articles of virtue and art and antiques.
15. To deal in, purchase, sell, import, export or supply and/or to act as principals, dealers, agents, sub-agents, representatives, either solely or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise for the Indian manufactured goods, commodities and services in the foreign countries and vice-versa and to establish for the above said purpose or maintain services or establish depots any where in the world.
16. To trade, deal in and undertake manufacturing of bricks, tiles, pipes, cement, lime, building construction requisites and similar materials used in construction or any substitute thereof.
17. To purchase, hold and acquire mines, mining leases, mining rights, mining claims and metalliferous lands and to explore, work, exercise, develop and to turn to account all sort of major and minor minerals, working of deposits of all kinds of minerals and subsoil materials and to crush, win, set, quarry, smelt, calcine, refine, dress, amalgamate manipulate and prepare for the market, ore, metal and mineral substance of all kinds and to carry on metallurgical operations in all its branches, and to prepare, process, manufacture assemble, fabricate, cast, fit, press, machine, treat, weld, harden, plate, temper, anneal any kind of metals and consequential products and to do all such other acts or things necessary in connection with the same.
18. To produce, manufacture, trade, deal in and dispose of alkalies, acids, gases, compound fertilisers, chemicals products of every nature and description, intermediates, derivative all types of floatation reagents, wetting agents, insecticides, fumigants, dyestuff explosives, catalytic agents, direct colours, basic colours, pigments, drugs, biological pharmaceuticals, serums, vitamin products, hormones and products derived from phosphate mines, limestone quarries, bauxite mines, petroleum, natural gas and other natural deposits useful or suitable in the manufacture of chemicals and chemical products and to undertake the business of spraying of pesticides.
19. To manufacture, generate, produce, sell, dispose of and deal in industrial gases, domestic gases for heating and lighting, gas, steam, heat, light, electricity or any other motive power.

obtained by incinerating, burning forest refuse, wood, plants and other refuse and all other residual products resulting therefrom.

20. To engineer, develop, design, assemble, manufacture, fabricate, produce, import, export, buy, sell, operate, run, let on hire or otherwise deal in plants, machineries, tools, equipments, appliances, spares, implements, accessories, petrol and diesel engines for land reclamation, forest cleaning, spraying, thrashing, harvesting, sowing, ploughing and digging and all other types of machinery used in agricultural operations, tractors, earthmovers and all other like and allied equipments.
21. To manufacture, buy, sell, exchange, import, export, hire, let on hire, improve, repair, assemble, prepare, develop or otherwise deal in all kinds of electrical spares and electronics, whether used independently as an original equipment or used as components for repairs and replacements.
22. To carry on all or any of the trades or businesses of electricians, contractors, manufacturers, magnetic and galvanic engineers, workers, electroplaters, enamellers, tool-makers, wiredrawers, makers, and machinists and as dealers in electric gadgets, appliances, components, apparatuses, equipments, instruments, implements, machineries, plants, tools, devices, engines and mechanism to which the application of electricity or any like power or any power that can be used as a substitute thereof may be useful, convenient or ornamental.
23. To manufacture, buy, sell, import, export, alter, improve, manipulate, prepare for market, exchange, install, repair, service, let on hire and deal in all kinds of body scanners, surgicals, X-ray units, X-ray equipments, telecommunication machines, intercoms, teleprinters, dictating and recording machines, telephones, broadcasting apparatuses, loud-speakers, radios, auto-radios, reverberators, tape-players, cassette tapes, head-phones, stereo-complex speakers, radio control equipments, cameras, binoculars, microscopes, movie cameras, projectors, telescopes, television sets, photographic flash lights and all other devices which use electronics and electronic components.
24. To act as trustees, executors, attorneys, receivers, administrators, nominees and agents and to undertake guarantee and indemnity business, execute trusts of all kinds and to exercise all the powers of custodians and trustees.
25. To manufacture, produce, trade and deal in all types of packings, packing materials, containers, linings, jointing and belting materials, asbestos materials and fibres, insulation materials, welding flux, crucibles, refractories and foundry materials and any other commodity commonly and conveniently used for such purposes.
26. To act as secretaries or treasurers of any company subject to any applicable law for the time being in force and to undertake or take part in the management, supervision or control of the business or operations of any person, firm, body corporate, association or other undertaking and to appoint and remunerate for such purpose or purposes any officer of the Company, accountants or other experts or agents.
27. To convert, treat, or turn to account by any process or method of manufacture, plantation, chemicals, synthetic or otherwise, or in any other manner, timber, wood, dropping fly, cotton or cotton seeds, cotton waste, bamboo, grass, straw, jute stalks, sisal fibre, flex, hemp, hessian, gunny waste, bagasse, leather, asbestos, rags, waste paper water hyacinth or

any kind of pulp or other substances prepared from these or from other vegetables, minerals, chemicals or any other substances and prepare, manufacture newsprint papers, kraft and board of all kinds, whether grey, bleached, unbleached, dyed, printed and such other things or by products as may be practicable or deemed expedient. And to own, work, erect, instal, maintain, equip, repair, alter, add or otherwise handle or deal in pulp and paper plants, filatures, or any other factories for pressing, ginning, carding, combing, scouring, mixing, processing, bleaching, printing dyeing or finishing, pulp or paper or board or any altered products of any description and kind, and to put up an integrated pulp and paper mill.

IV. The liability of the members is limited.

V. The share capital of the Company is

Rs. 1,00,00,000/- divided into 1,00,000
Equity shares of Rs. 100/- each

We, the several persons, whose names and addresses are subscribed, 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, Descriptions and Occupations of Subscribers	Signature of each subscriber.	No. of shares taken by each subscriber.	Names, Addresses, Discriptions and Signatures of Witnesses.
Shambhu Lal Khurana S/o Shri Ram Dass Khurana D-188 Ashok Vihar Delhi-5 (Business)	Sd/-	Five Equity Shares	I witness the signatures of the two subscribers Sd/- (B.L. Jain) FCA S/o Late Sh. M.P. Jain F-87 East of Kailash New Delhi
Satish Kumar Khurana S/o Shri Shanti Lal Road No. 7, House No. 20 Punjabi Bagh, New Delhi-6 (Business)	Sd/-	Five Equity Shares Ten Equity Shares	

Dated the.....17th.....Day of.....October.....1974

(The Companies Act, 1956)
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

OF

Capital Business Systems Limited

1. **Preliminary** : The Regulations No. 1, 3 to 12, 14 to 20, 24 to 35, 44 to 63, 65, 74 to 81 and 85 to 89 contained in the Table 'A' of the Schedule I to the Companies Act, 1956, shall apply to this Company in so far as they are consistent with and applicable to a private company, subject to the special provisions hereinafter mentioned which are subject to such restrictions and conditions as imposed by the Companies Act, 1956.
2. **Interpretation** : In these Regulations words importing singular shall include plural and vice versa, words importing masculine gender shall include females and words importing persons shall include bodies corporate.
3. (i) **This Company is a Private Company** : The Company is a Private Company within the meaning of Sec. 3(1) (iii) of the Act and accordingly :-
 - (a) **Right to transfer the shares in the Company is restricted** : The right to transfer the shares in the Company shall be restricted in the manner and to the extent hereinafter appearing in these regulations.
 - (b) **Number of members is limited** : The number of members of the Company shall be limited to 50 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 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, for the purpose of this clause, be treated as one member.
 - (c) **Invitation to the public to subscribe is prohibited** : No invitation shall be given to the public to subscribe for any shares in or debentures of the Company.
4. Persons applying for the allotment of shares in the capital of the Company shall pay such sum with application and such sum on allotment as the directors may think proper.
5. The business of the Company may be commenced as soon after the incorporation of the Company as the directors may think fit and notwithstanding that only part of the shares have been allotted.

SHARE CAPITAL

6. The share capital of the Company is Rs. 1,00,00,000/- divided into 1,00,000
Equity Shares of Rs. 100/- each

each capable of being increased or decreased in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original or increased or decreased, into several classes and attach thereto respectively such ordinary, deferred, preferential or special rights and conditions, in such a manner as may for the time being be provided by the regulations of the Company and allowed by law.

7. **Allotment of shares** : 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 they may think fit, and with full power to give to any person any share or shares either at par or at a premium and at such time and for such consideration as they think fit and that the Company shall, in any general meeting, be entitled to make any provision or provisions as regards the issue and allotment of such shares before the issue thereof by the directors.
8. **Allotment and issue of shares for consideration other than cash** : The directors may also allot and issue shares in the capital of the Company, in full or part payment, for any property sold or transferred, goods or machineries supplied or for services rendered to the Company or in or about the formation of the Company or the conduct of its business and any such shares may be issued as fully or partly paid up and if so issued, shall be deemed to be fully or partly paid up shares, as the case may be.
9. **Power to issue redeemable preference shares** : Subject to the provisions of any law for the time being in force, the Company may at any time increase its capital by providing for redeemable preference shares and subject to the provisions of Section 80 of the Companies Act, 1956, the Company may issue preference shares which are, at the option of the Company, liable to be redeemed. The redemption of preference shares may be effected on such terms and in such manner as may be decided by the Company at the time of providing for such redeemable preference shares.
10. **Further issue of capital** : Where an offer is made to a person or persons in pursuance of Section 81 of the Companies Act, 1956 for purchase of shares out of issue of new shares, the offer shall not be deemed to include a right exercisable by the person or persons concerned to renounce the shares offered to him or any of them in favour of any other person.
10. (A) 1. The Company in general meeting may upon the recommendation of the Board resolves :
 - (a) That it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company reserve accounts or to the credit of the Profit & Loss Account or otherwise available for distribution and
 - (b) That such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, is distributed by way of dividend and in the same proportions.
- 2 The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3), either in or towards.
 - i) Paying up any amounts for the time being unpaid on any shares held by such members respectively.

- ii) Paying up in full unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid or
 - iii) Partly in the way specified in sub clause (i) and partly in that specified in sub-clause (ii)
-) A Share Premium account and a capital redemption reserve account may for the purpose of this regulation, only be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.
-) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- . Whenever such a resolution as aforesaid shall have been passed, the Board shall :-
- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issue of fully paid shares if any, and
 - b) generally do all acts and things required to give effect thereto.
- . The Board shall have full power :-
- a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise, as it think fit, for the case of shares or debentures becoming distributable in fractions, and also
 - b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- . Any agreement made under such authority shall be effective and binding on all such members.

variation of rights of holders of special classes of shares : Where at any time the share capital of the Company is divided into different classes of shares, rights attached to any class of shares may be varied in accordance with the procedure laid down in Section 106 of the Companies Act, 1956.

Effect of Joint-holder the sole-holder : If any shares stand in the names of two or more persons, the person first named in the register of members shall, as regards receipt of dividend, bonus or service of notice and all or any other matter connected with the company, except voting at meeting and the transfer of shares, be deemed the sole-holder of but joint-holders of shares shall be severally as well as jointly liable for the payment of instalments and calls in respect of such shares and for all incidents thereof according to the company's regulations.

Issue of Certificate : Certificates of title to shares shall be issued under the seal of the Company and signed by two directors and by the Secretary or any other person duly authorised by the Board.

14. **To which of Joint-holders Certificates should be issued** : The certificate of shares registered in the name of two or more persons shall, unless otherwise directed by them, be delivered to the person first named on the register of members.
15. **Calls** : Subject to the provisions of the Companies Act, 1956, the directors may, from time to time subject to any terms on which any share may have been issued, make such calls, as they think fit, upon the shareholders in respect of all moneys unpaid on the shares held by them respectively and such members shall pay the amount of every call so made on them. A call may be made payable in instalments.
16. **Notice to call** : At least fifteen days notice of any call shall be given by the Company to the members specifying the time and place of payment.
17. **Extension of time for payment** : The directors may from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members, whom the directors may, on account of residence at a distance or some other cause, deem fairly entitled to such extension, but no member shall as a matter of right be entitled to such extension, save as a matter of grace and favour.
18. **Directors may decline to register transfer** : The directors may, at any time in their absolute and uncontrolled discretion and without assigning any reason, decline to register any proposed transfer of shares whether the transferee is a member of the Company or not. The directors may make such enquiries as they, in their discretion, may deem fit.
19. **Voting rights** : At a general meeting every member present in person shall, on a show of hands, have one vote and, on a poll being demanded, every member present in person or by proxy shall have one vote for every share held by him.
20. **Restriction on exercise of voting rights of members who have not paid calls, etc.** : No member shall exercise any voting rights in respect of any share registered in his name on which any call or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
21. **Length of notice for calling meeting** : A general meeting of the Company may be called by giving not less than seven days' notice in writing.
22. **Proxies** : A member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person, who shall also be a member of the Company, as his proxy to attend and vote instead of himself.
23. **Fee on Transfer** : There shall be paid to the Company by way of fee, in respect of transfer transmission of any share or number of shares to the same party, a sum of rupee one for each transfer.

24. **Provisions of the Act to be complied while registering transfer or transmission of shares** : Subject to the provisions of Sections 108 to 112 and 250 of the Companies Act, 1956, the regulations contained hereinafter shall govern the transfer and transmission of shares :
- (a) **Evidence of title to be produced by transferor** : Every instrument of transfer shall be left at the office of the Company duly stamped for registration and accompanied by the certificate of shares proposed to be transferred and such other evidence as the directors may require to prove the title of the transferor or his right to transfer the shares. The directors may waive the production of the certificate upon evidence satisfactory to them of its loss or destruction.
 - (b) **Registered instrument of transfer to be in the custody of the Company** : All instruments of transfer which may be registered shall be retained by the Company but any instrument of transfer which the directors may decline to register shall, except in any case of fraud, be returned to the person depositing the same.
25. **Closing Transfer Book** : Subject to the provisions of Section 154 of the Companies Act, 1956, the directors shall have the power to close the transfer books of the Company for such period or periods, not exceeding forty-five days in a year in aggregate and thirty days at any one time, as may seem expedient to them.
26. **Effect of Forfeiture** : The forfeiture of a share shall involve the extinction of all interest and also of all claims and demands against the Company in respect of the share and all other rights, incidental to the share, except only such of those rights as by these Articles are expressly saved.
27. **Inspection of Register kept u/s 303 of Companies Act, 1956** : The register kept under Section 303 of the Companies Act, 1956 may be inspected by a person in accordance with the provisions of Section 304 of the Companies Act, 1956 during business hours after having obtained permission from the principal officer of the Company.
28. **Directors** : Until otherwise determined by the Company in general meeting, the number of directors of the Company shall not be less than two and more than ten.
29. **Qualification of Directors** : A director of the Company does not require holding of any qualification share and provisions of Sections 270 and 272 shall not apply to this Company.
30. **Remunerations** : Each director shall receive out of the funds of the Company, by way of remuneration for his service for every Board meeting attended by him, a sum, not exceeding Rs. 250/- as may be decided by the directors from time to time unless fixed by shareholders in a general meeting. The directors shall also be remunerated for any extra services done by them outside their duties as defined by these regulations. The directors shall also, for attending and returning from meetings of the Board, be paid travelling and any other expenses, including hotel expenses, properly incurred in connection with the business of the Company. The directors may also draw any sum as their monthly allowance as may be sanctioned by the shareholders in a general meeting. This Article shall be applicable subject to the provisions of the Companies Act, 1956.

BOARD OF DIRECTORS : GENERAL POWERS

31. (a) **General powers and limitations thereon** : The Board of directors 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 the Board shall not exercise any power or do any act or thing which is directed or required by the Companies Act, 1956 or any other provisions of law or by the Memorandum of Association of the Company or these Articles to be exercised or done by the Company in general meeting.

Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provision contained in that behalf in the Companies Act, 1956 or any other provisions of law or the Memorandum of Association of the Company or these Articles or any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in general meeting.

Provided further that the Board shall not exercise any power or do any act or thing which is required by law or by any lawful agreement to be exercised or done by the Managing Director, Director, Manager, General Manager, Secretary or any other officer of the Company, as the case may be.

- (b) **Provisions against invalidation of prior act of the Board** : No regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS

32. (a) **Powers under Sec. 292 of the Act** : The Board shall exercise the following powers on behalf of the Company only by means of resolutions passed at meetings of the Board :
- (i) the power to make calls on shareholders in respect of money unpaid on their shares;
 - (ii) the power to issue debentures;
 - (iii) The power to borrow money otherwise than on debentures ;
 - (iv) the power to invest the funds of the Company; and
 - (v) the power to make loans, and shall exercise these powers in accordance with Section 292 or any statutory modifications thereof.
- (b) **Powers under Sec. 297, 316 and 488 to be exercised in Board's meeting** : The Board shall also exercise the powers contained in Sections 297, 316 and 488 only at meeting of the Board and in accordance with the provisions of these sections or any statutory modifications thereof.
33. (a) **Question to be decided by a majority of votes except under Sections requiring unanimous resolution** : Subject to the provisions of the Companies Act, 1956

requiring unanimous resolution of the Board of directors, questions arising at any meeting of the Board shall be decided by a majority of votes.

- (b) **Chairman's Casting vote** : In case of an equality of votes, the chairman of the Board, if any, shall have a second or casting vote.
34. **Restriction on power of the Board in the appointment of sole-selling agents** : In the appointment of sole selling-agents for the company for any area, the Board shall conform to the provisions of Section 294 of the Companies Act, 1956 or any statutory modifications thereof.
35. The following persons are appointed as first directors of the company :
1. Mr S.L. Khurana S/o Sh. Ram Das
 2. Mr. Satish Kumar Khurana S/o Sh. Shanti Lal
36. **Contracts with the Company** : No director shall be disqualified by virtue of his office for contracting with the Company, either as vendor, purchaser or otherwise, nor shall any contract or arrangement entered into by or on behalf of the Company with any company or partnership in which the director is a member or otherwise interested be avoided, nor shall any director so contracting or being such member or so interested be liable to account to the Company for any profit realized from any such contract or arrangement by reason only of such director holding that office or of the fiduciary relations thereby established, provided that he shall disclose the nature of his interest at the meeting of directors at which the contract or arrangement is determined, if his interest then exists or in any other case at the first meeting or directors after the acquisition of his interest and no such director shall as a director vote in respect of any such contract or arrangement in which he is so interested as aforesaid and if he does, his vote shall not be counted, but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting and shall be reckoned for the purpose of ascertaining whether there is a quorum of directors present. This provision shall not apply to any contract by or on behalf of the Company to give to any or all of the directors, security by way of indemnity against any loss which he or they may suffer by reason of becoming or being, sureties for the Company. A general notice that any director is a member of a specified firm or company shall, as regards any such transactions, be sufficient disclosure under this article and after such general notice it shall not be necessary for the interested director to give any special notice relating to any particular transaction with such firm or company. This article shall be applicable subject to the provisions of the Companies Act, 1956.
37. **Quorum** : The quorum for the directors meeting is two or 1/3rd of the total strength of Board of directors whichever is higher unless raised by a resolution of the members in general meeting.
38. Subject to the provisions of Section 289 of the Companies Act, 1956, a resolution passed without any meeting of directors or of a committee of directors appointed under the Articles and evidenced in writing in the hands of a majority of the directors or members of committee for the time being shall be as valid and effectual as a resolution duly passed at a meeting of the directors or such committee called in accordance with the provisions of these articles.

PROCEEDINGS OF THE BOARD

39. **Date on which the resolution is deemed to have been passed :** Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

GENERAL MEETING OF THE COMPANY

40. In regard to the calling and conduct of meetings the Company shall comply with the provisions of Sections 166. and 167 of the Companies Act, 1956 or any statutory modifications thereof, provided however that the provisions of Sections 171(2), 173 and 176 shall not apply to this Company and provided further that provisions in the group of Sections 171 to 186 shall also not apply to the Company in so far as they are inconsistent with the regulations herein contained.
41. **Dissolution of meeting :** If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if requisitioned by the members shall stand dissolved.

BORROWING POWERS

42. **Power of Borrow :** Subject to the provisions of the Companies Act, 1956, the directors for the time being of the Company may, from time to time, at their discretion guarantee, raise or borrow any sum or sums of money or make any arrangement for finance for the purposes of the Company and secure the payment of such sum or sums or the financial arrangement in such manner and upon such terms and conditions in all respects as they think fit and in particular by making, drawing or accepting on behalf of the Company any promissory notes or bills of exchange or giving or issuing any other receipts of the Company or of the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company, both present and future, including its uncalled capital for the time being.
43. **Securities :** Debenture-stock or other securities may be issued at discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, appointment of directors and otherwise.
44. **Power to issue debentures and provisions of the Act to be complied with :** The Company shall have the power to issue debentures among members, but in exercising this power the provisions of Sections 108 to 113, 115 to 123, 128, 129, 133, 134, 152, 154, 170(2) (a) and (b), 187 and 292 of the Companies Act, 1956 or any statutory modification thereof shall be complied with.
45. **Managing Director, Secretary or Manager :** (i) Subject to the provisions of the Companies Act, 1956, the Company may appoint a Managing Director, Secretary, Manager or General Manager or all or any of them for the Company and may fix his or their remuneration. The person or persons so appointed will perform any such duty and works for the Company as the Company or directors may decide and he or they will be subject to the supervision and control of the directors.

- (ii) The Company may also, from time to time, appoint one or more of its directors to the office of Managing Director or Managing Directors or Manager or Secretary for such term and at such remuneration (whether by way of salary or commission or participation in profit, or partly in one way and partly in another) as it may think fit, and a director so appointed shall not, while holding that office, be subjected to retirement by rotation but his appointment shall be subject to determination ipso-facto if he ceases from any cause to be director or, if subject to any contract between the Company and such director, the Company in general meeting resolves that the tenure of the office of Managing Director or Manager or Secretary be determined.
46. The Managing Director, Secretary, Manager or General Manager appointed under the preceding Article 45 shall, subject to the supervision of other directors, have powers for the engagement and dismissal of managers, engineers, technical experts, artists, assistants, clerks, servants and other employees and the general management and superintendence of the business of the Company with full power to do all acts, matters and things deemed by him necessary, proper or expedient for carrying on the business and concerns of the Company and to make, sign and negotiate on behalf of the Company all such bills of exchange, Government of India and other promissory notes, hundies, cheques, drafts and other instruments as shall be necessary, proper or expedient for carrying on the business of the Company and to make, conduct, defend, compound or abandon any legal proceedings by or against the Company and also to compound or allow time for the payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer to arbitration any matter and observe and perform the awards and to exercise such of the powers as may from time to time be delegated to him. All moneys belonging to Company shall be retained by the Managing Director, Secretary, Manager, General Manager or his authorised agent or agents whose receipts shall be an effectual discharge for the moneys therein stated to have been received. The said Managing Director, Secretary, Manager or General Manager may, on their own responsibility, delegate any of their powers to such persons as they may deem fit and shall have power to grant to such a person or persons or other delegates such power of attorney as the said Managing Director, Secretary, Manager or General Manager may deem expedient and with powers to revoke at pleasure. He may arrange for joint working with other concerns if necessary, may grant pensions or charities and may give indemnities to any person necessary in the conduct of the business of the Company.
47. **Audit** : Once at least in every year the accounts of the Company shall be examined and the correctness of the Balance Sheet and Profit & Loss Account be ascertained by one or more auditor or auditors.
48. **Payment of dividend in proportion to amount paid up** : The Company shall pay dividends in proportion to the amount paid up on each share where at any time a larger amount is paid up on such shares than on others.
49. **Powers of the Company to pay interest out of capital in certain cases** :Subject to the provisions of Section 208 of the Companies Act, 1956 the Company shall have power to pay interest out of capital where any shares in the Company are issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant, which cannot be made profitable for a lengthy period.

50. **Seal :** (i) The directors shall provide a common seal for the purposes of the company and shall have the power to destroy the same from time to time and substitute a new seal in lieu thereof and the directors shall provide for the safe custody of the seal for the time being.
- (ii) The seal shall not be affixed to any instrument except by the authority or two directors (or as may be provided by the directors or members in general meeting in this behalf) who shall sign every instrument to which the seal shall be affixed and such signatures shall be conclusive evidence of the seal having been properly affixed.
51. **Power to have official seal for use outside India :** The Company may have for use in any territory, district or place not situated in India an official seal which shall be a facsimile of the common seal of the Company, with additions on its face of the name of the territory, district or place where it is to be used. Such seal shall be used in accordance with the provisions of sub-sections(2) to (5) of sec. 50 of the Companies Act, 1956.
52. (i) **Secrecy Clause :** Every director, manager, trustee, member of the committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the directors, before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions 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 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 contained in these Articles.
- (ii) **Restriction imposed on persons other than Directors and Officers in management :** No member or other person shall, unless he is a director or other person in management of the affairs of the Company, inspect or examine the premises or properties of the Company without the permission of the directors of the Company or any officer authorised by the directors for the time being or require discovery of any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of 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 officers authorised by directors will be inexpedient in the interest of the members of the Company to communicate.

Name, Addresses, and Descriptions of Subscribers and their Fathers' Names	Signature of subscriber	Names, Addresses, Discription and Signatures of Witnesses.
<p>Shambhu Lal Khurana S/o Sh. Ram Dass Khurana D-188 Ashok Vihar Delhi-110 052 (Business)</p> <p>Satish Kumar Khurana S/o Sh. Shanti Lal Road No. 7, House No. 2 Punjabi Bagh, New Delhi-110 026 (Business)</p>	<p>Sd/-</p> <p>Sd/-</p>	<p>I witness the signatures of the two subscribers</p> <p>Sd/- (B.L. Jain) FCA S/o Late Sh. M.P. Jain F-89 East of Kailash New Delhi</p>

Dated the.....17th.....Day of.....October.....1974

COMPANY NO. 25-7505

CERTIFICATE OF REGISTRATION OF ORDERS OF COURT CONFIRMING
AMALGAMATION OF COMPANIES.

Section 391 (2) and 394 of the Companies Act, 1956.

Certified that the certified copy of the Delhi High Court Order in
C.P.No. 364/2004 dated 21-03-2005 regarding the
amalgamation of undermentioned company / companies:

M/s Calex Industries Limited
(Transferee company)

with *M/s Capital Business Systems Limited*
(Transferor Company)

has been registered under the Companies Act, 1956.

Given under my hand at NEW DELHI this 3rd day of June,

Two Thousand Five.



V. N. Sharma

(V. N. Sharma)

—DY. ASST. REGISTRAR OF COMPANIES
NCT OF DELHI & HARYANA

**SCHEME OF AMALGAMATION
OF
CELEX INDUSTRIES LIMITED
WITH
CAPITAL BUSINESS SYSTEMS LIMITED**

**UNDER SECTION 391 READ WITH SECTION 394 OF THE
COMPANIES ACT, 1956.**

PART - I

DEFINITIONS:

In the scheme unless repugnant to the meaning or context thereof the following expression shall have the meaning as under:

- A. **"THE TRANSFEROR COMPANY"** shall mean Celex Industries Limited, a company incorporated under the Companies Act, 1956, having its registered office at GN-14, Shivaji Enclave, New Delhi 110 027;
- B. **"THE TRANSFEREE COMPANY"** shall mean Capital Business Systems Limited, a company incorporated under the Companies Act, 1956, having its registered office at 54/2, East Punjabi Bagh, New Delhi 110 026;
- C. **"THE APPOINTED DATE"** shall mean the 1st day of April, 2004 or such other date as the Hon'ble High Court of Delhi at New Delhi may direct;
- D. **"THE EFFECTIVE DATE"** means the latter of the dates on which certified copies of the Order(s) of the Hon'ble High Court at New Delhi vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Transferor Company in the Transferee Company are filed with the Registrar of Companies, NCT of Delhi and Haryana, after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore;
- E. **"THE ACT"** shall mean the Companies Act, 1956;

F. **"THE UNDERTAKING OF THE TRANSFEROR COMPANY"** shall mean and include:

- i) All the assets and properties of the Transferor company immediately before the amalgamation;
- ii) All the debts, liabilities and obligations of the Transferor Company immediately before the amalgamation;
- iii) Without prejudice to the generality of the foregoing clause (i) above, the said undertaking shall include all rights, powers, interests, authorities, privileges, easements, liberties, investments, securities, business and all properties and assets, moveable or immovable, real or personal, corporal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wherever situate including land, building, machinery, vehicles, office equipments, inventories, sundry debtors, cash and bank balance, loans and advances, income tax credits, sales tax credits, excise credits, deposits and exemptions, earnest money and security deposits, computer programs, software, website, domains, sales tax registrations, permits, authorizations, quota rights, leases, tenancy rights and agency rights goodwill and all other interests and rights in or arising out of or relating to such property together with all licenses, trade marks, copy rights, patents, import entitlements, quotas, telephones, telexes or any other licenses or permissions held or applied for or as may be obtained hereafter by the Transferor Company and all debts, liabilities, duties and obligations of the Transferor Company of whatsoever kind.

G. **"THE SCHEME"** means this Scheme of Amalgamation in its present form or with any modifications(s) approved or imposed or directed by the Hon'ble High Court of Delhi.

WHEREAS:

1. The authorized share capital of the Transferee Company is Rs. Rs.1,00,00,000/- (Rupees One Hundred lacs only) divided into 1,00,000 equity shares of Rs.100/- each. The entire authorized share capital of the Transferee Company as aforesaid is fully issued, subscribed and paid up.

2. The authorized share capital of the Transferor Company is Rs. 5,00,00,000/- (Rupees five hundred lacs only) divided into 50,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid up capital of the Transferor Company is Rs. 5,00,00,000/- (Rupees Five hundred lacs only) divided into 50,00,000 equity shares of Rs 10/- each fully paid up.
3. Since October 31, 1974, the Transferee Company is engaged in the business of dealing in paper and paper products, loose leaf binders, their index and sheets, office and school stationery, stamp pads, carbon papers, ribbons, tele-printer-rolls, continuous stationery, folders, files and filing cabinets, packing materials, containers, cartons, foils, boxes, cans, casks, recepticals, packages and all other allied things made of paper, board, straw board, plastic, cellophane, polyethylene, aluminium, iron, tin, metal, fibre, glass, wool, cotton, rubber, hessian, grass, hay, saw-dust and other commodity commonly and conveniently used for such purposes. The Transferee Company is also engaged in manufacturing and dealing of graph papers, graphic equipment, sheets, system control and undertakes specialized jobs for the processing and data processing and other like and allied jobs to facilitate the business community, traders, scientific and educational institutions, examining bodies and to provide other data process facilities to the public. Other business in which the Transferee Company is engaged includes the business of printers, off-set printers, engravers, Lithographers, halftone colour printers and publishers of books, newspaper, periodicals, magazines, diaries, calendars, editions, booklets, brochures, catalogues, folders, cartons, job-contractors. The Transferee Company has held and utilized substantial part of its assets and continues to hold and utilize the same for the abovesaid business purposes.
4. Since February 20, 1997, the Transferor Company is engaged in the business of manufacturing, importing, exporting, trading and in dealing of laminated, unlaminated boards, metallic, non metallic, continuous, non-continuous, spiral and strips, office organization products and automation, accessories, sheet related components, auto parts, plastic moulding, plastic extrusions for commercial, industrial and domestic use. The Transferor is also engaged in the business of manufacturing, importing, exporting, trading and in dealing of book binding, manufacturing and printing account books, machine rules, cutters, numerical printers, paper bags and stationery for office and residential, all kinds of printing and publishing work including but not limited

to printing and publishing of books, newspapers, periodicals magazines, diaries, exercise books, calendars, labels, booklets, brochures, catalogues, folders, cartons, wrappers lottery tickets, security documents, or any other item. The Transferor Company has held and utilized substantial part of its assets and continues to hold and utilize the same for the abovesaid business purposes.

5. The business carried on by the Transferor and the Transferee Company is intrinsically allied and can be conveniently, effectively and advantageously combined in order to carry on the businesses more economically and efficiently. The present scheme of amalgamation is proposed to enlarge the scope of operation and to attain the objects more effectively and efficiently.
6. For the purpose of better efficient and economical management, control and running of the businesses and/or administrative convenience and to obtain advantages of economies of scale and to pool the resources for growth and development the present scheme is proposed to amalgamate the Transferor Company with the Transferee Company.

PART - II

1. With effect from the appointed date the undertaking of the Transferor Company shall without further act or deed be transferred to or vested in and shall be deemed to have been transferred and/or vested in the Transferee Company pursuant to Section 394 of the Act, subject however to all charges, liens, mortgages if any then effecting the same or any part thereof. The assets of the Transferor Company shall be held and utilized for pursuing the business activities of the Transferor Company being merged with that of the Transferee Company. In the event of the Hon'ble High Court according its approval to the proposed amalgamation and barring unforeseen circumstances, the amalgamated company expects to continue to substantially utilize the manufacturing capacity of the Transferor Company.
- 1.1 With effect from the appointed date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required, the reserves, if any, of the Transferor Company, will be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferee Company.
- 1.2 In case of difference in any accounting policy as adopted by the Transferor Company and the Transferee Company, the impact of the same till the date of amalgamation will be quantified and adjusted in the Revenue Reserve(s) to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of a consistent accounting policy.
- 1.3 With effect from the appointed date, all the liabilities of the Transferor Company shall, without any further act or deed, stand transferred to the Transferee Company pursuant to the provisions of the said Act so as to become as from the appointed date the debts, liabilities, duties and obligations of the Transferee Company.
- 1.4 The unutilized MODVAT/ CENVAT credit in books of account of the Transferor Company shall be utilized by the Transferee Company after amalgamation as the MODVAT/ CENVAT credit on stock of inputs of materials in process of the Transferor Company and shall be transferred, as part of its undertaking, to the Transferee Company on amalgamation.
- 1.5 With effect from the appointed date, the Transferor Company shall be dissolved without being wound up.

1. If any suit, appeal or any other proceedings of whatsoever nature (hereinafter called the Proceedings) by or against the Transferor Company be pending the same shall not be discontinued or be in any way prejudicially affected by reason of the transfer of the undertakings of the Transferor Company or by reason of anything contained in this scheme but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if this scheme had not been made.
2. The transfer and vesting of the properties and liabilities under Clause 1 hereof and the continuance of the proceedings by or against the Transferor Company under Clause 2 hereof shall not affect any transaction or proceedings already concluded by or on behalf of the Transferor Company on and after the Appointed Date to this end and the Transferee Company accepts and adopts all acts, deeds and things done and executed by or on behalf of the Transferor Company as acts, deeds and things done and executed by or on behalf of the Transferee Company.
3. Subject to the provisions contained in this Scheme all contracts, deeds, bonds, licences, agreements and other documents and instruments of whatsoever nature to which the Transfer Company is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company the Transferee Company had been a party thereto.
4. Upon sanction of the Scheme becoming finally effective, all the shares held by the Transferee Company in the Transferor Company shall stand cancelled.
5. The Scheme, although operative from the Appointed Date shall become effective from the Effective Date.

PART – III

1. The Transferor Company and the Transferee Company shall make necessary applications to the Hon'ble High Court of Delhi at New Delhi for obtaining the sanction to the scheme and for the consequent dissolution without winding up of the Transferor Company.
2. Until the scheme is sanctioned and transfer effected, as aforesaid, the Transferor Company shall carry on its businesses in the usual course and shall be deemed to be carrying on the said business for and on behalf of and in trust for the Transferee company with effect from the Appointed Date. Accordingly, all profits accruing to the Transferor Company or losses arising or incurred by the Transferor Company for the period commencing from the Appointed Date shall for all the purposes be treated as the profits or losses, as the case may be, of the Transferee Company and the Transferor Company undertakes not to utilize such profits, if any, for the purpose of declaring or paying any dividend in respect of the period following on and after the Appointed Date without the written consent of the Transferee Company. The Transferor Company shall not without written consent of the Transferee Company issue or allot any rights shares or bonus shares out of its authorised or unissued share capital for the time being.
3. With effect from the Appointed Date and upto and including the date on which the undertakings of the Transferor Company are duly transferred to the Transferee Company as provided herein, the Transferor Company shall be deemed to have held and stood possessed of the properties so to be transferred to the Transferee Company for and on account of and in trust for the Transferee Company.
4. All staff, workmen and employees in the service of the Transferor Company immediately preceding the Appointed Date and who continue as such until the final orders are passed under section 394 shall become the staff, workmen and employees of the Transferee Company. Their services shall be deemed to be continuous and not interrupted by reason of the said transfer and the terms and conditions of service applicable to such employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.
5. As far as the Provident Fund, Gratuity, Pension/Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and employees

of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all intents and purposes, whatsoever, related to the administration or operation of such funds or in relation to the obligation to make contributions to the said funds as per the terms provided in the respective Trust Deed. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will also be treated as having been continuous for the purposes of the aforesaid funds or provisions.

6. The Scheme is conditional to: (a) the sanction or approval of the appropriate authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required; and (b) the sanction of the Hon'ble High Court of Delhi under sections 391 and 394 of the said Act, in favour of the Transferor Company and the Transferee Company and to the necessary Order(s) under section 394 of the said Act being obtained.
7. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the High Court and/ or the Order or Orders not being passed as aforesaid on or before December 31, 2005 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company through their respective Board of Directors, the Scheme shall become null and void and the Transferee Company shall bear and pay the costs, charges and expenses for and/ in connection with the Scheme of Amalgamation.
8. The Transferee Company shall pay all costs, charges and expenses of and incidental to this scheme of amalgamation.
9. Any dispute, difference or question at any time arising out of this Scheme of Amalgamation or any clause, matter or thing herein contained or the rights and liabilities of the parties hereunder, which the parties are unable to resolve amicably shall be referred to sole arbitration of Mr. Anupam Lal Das, Advocate, 15, Medha Apartment, Mayur Vihar, Phase – I, Delhi.. The conciliation and arbitration proceedings shall take place at New Delhi. Judgment upon the award rendered may be entered in any court having jurisdiction or an application may be made to such

court for a judicial acceptance of the award and an order of enforcement, as the case may be.

10. The Transferor Company (by its Directors) and the Transferee Company (by its Directors) may assent to any modification to the scheme of amalgamation or to any condition which the Hon'ble Court of Delhi at New Delhi or the Government of any other authority may impose or which the said Board of Directors may in their sole direction think fit and the Board of Directors may do all such acts, things and deeds as may be necessary desirable expedient and/or appropriate for the purpose of implementing this scheme and/or to settle any question doubt or difficulty regarding the implementation of this scheme or otherwise arising under this scheme or in any manner connected therewith.
11. The Transferee Company shall take steps for suitable alterations in the Memorandum and Articles of Association so as to enable it to implement the Scheme as may be required.