

SCHEDULES

Sch. I Table A Regulation 1

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

1 INTERPRETATION.

(1) In these regulations -

(a) "the Act" means the Companies Act, 1956,

(b) "the seal" means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

SHARE CAPITAL AND VARIATION OF RIGHTS.

Subject to the provisions of section 80, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the company are liable, to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

3 SHARE CAPITAL AND VARIATION OF RIGHTS.

(1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of sections 106 and 107, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(2) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

4 SHARE CAPITAL AND VARIATION OF RIGHTS.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

5 SHARE CAPITAL AND VARIATION OF RIGHTS.

(1) The company may exercise the powers of paying commissions conferred by section 76, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section.

(2) The rate of the commission shall not exceed the rate of five per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to five per cent of such price, as the case may be.

(3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

(4) The company may also, on any issue of shares, pay such brokerage as may be lawful.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

6 SHARE CAPITAL AND VARIATION OF RIGHTS.

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

7 SHARE CAPITAL AND VARIATION OF RIGHTS.

(1) Every person whose name is entered as a member in the register of members shall be entitled to receive within three months after allotment or within two months after the application for the registration of transfer (or within such other period as the conditions of issue shall provide)

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(a) one certificate for all his shares without payment; or

(b) several certificates, each for one or more of his shares, upon payment of one rupee for every certificate after the first.

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

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

8 SHARE CAPITAL AND VARIATION OF RIGHTS.

If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding two rupees, and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the company in investigating evidence, as the directors think fit.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

9 LIEN.

(1) The company shall have a first and paramount lien -

(a) on every share (not being a fully-paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully-paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the company : Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
10 LIEN.

The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien : Provided that no sale shall be made -

- (a) unless a sum in respect of which the lien exists is presently payable, or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
11 LIEN.

- (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
12 LIEN.

- (1) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
13 CALLS ON SHARES.

- (1) The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times : Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (3) A call may be revoked or postponed at the discretion of the Board.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
14 CALLS ON SHARES.

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
15 CALLS ON SHARES.

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

16 CALLS ON SHARES.

(1) 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 thereon from the day appointed for payment thereof to the time of actual payment at five per cent per annum or at such lower rate, if any, as the Board may determine.

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

17 CALLS ON SHARES.

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

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

18 CALLS ON SHARES.

The Board -

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the moneys so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, six percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

19 TRANSFER OF SHARES.

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

(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

20 TRANSFER OF SHARES.

Subject to the provisions of section 108, the shares in the company shall be transferred in the following form, namely :-

1020 FORM NO. 7B

Date of presentation to the prescribed authority

SHARE TRANSFER FORM (Pursuant to section 108(1A) of the Companies Act, 1956)

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
26 TRANSMISSION OF SHARES.

(1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
27 TRANSMISSION OF SHARES.

(1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
28 TRANSMISSION OF SHARES.

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company : Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
29 FORFEITURE OF SHARES.

If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
30 FORFEITURE OF SHARES.

The notice aforesaid shall -

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

31 FORFEITURE OF SHARES.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

32 FORFEITURE OF SHARES.

(1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

33 FORFEITURE OF SHARES.

(1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all moneys which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(2) The liability of such person shall cease if and when the company shall have received payment in full of all such moneys in respect of the shares.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

34 FORFEITURE OF SHARES.

(1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(2) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

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

(4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

35 FORFEITURE OF SHARES.

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

36 CONVERSION OF SHARES INTO STOCK

The company may, by ordinary resolution, -

(a) convert any paid-up shares into stock; and

(b) reconvert any stock into paid-up shares of any denomination.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

37 CONVERSION OF SHARES INTO STOCK

The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit : Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

38 CONVERSION OF SHARES INTO STOCK

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

39 CONVERSION OF SHARES INTO STOCK

Such of the regulations of the company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

40 SHARE WARRANTS

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

41 SHARE WARRANTS

(1) The bearer of a share warrant may at any time deposit the warrant at the office of the company, and so long as the warrant remains so deposited, the depositor shall have the same

right of signing a requisition for calling a meeting of the company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

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

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

42 SHARE WARRANTS

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

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

43 SHARE WARRANTS

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

44 ALTERATION OF CAPITAL

The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

45 ALTERATION OF CAPITAL

The company may, by ordinary resolution, -

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum, subject, nevertheless, to the provisions of clause (d) of sub-section (1) of section 94;

(c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

46 ALTERATION OF CAPITAL

The company may, by special resolution reduce in any manner and with and subject to, any incident authorised and consent required by law, -

(a) its share capital;

(b) any capital redemption reserve account;

(c) any share premium account.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

47 GENERAL MEETINGS

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

48 GENERAL MEETINGS

(1) The Board may, whenever it thinks fit, call an extraordinary general meeting.

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

49 PROCEEDINGS AT GENERAL MEETINGS

(1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(2) Save as herein otherwise provided, five members present in person (in the case of a public company - two members present in person, in the case of a private company) shall be a quorum.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

50 PROCEEDINGS AT GENERAL MEETINGS

The chairman, if any, of the Board shall preside as chairman at every general meeting of the company.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

51 PROCEEDINGS AT GENERAL MEETINGS

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

52 PROCEEDINGS AT GENERAL MEETINGS

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

53 PROCEEDINGS AT GENERAL MEETINGS

(1) The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

54 PROCEEDINGS AT GENERAL MEETINGS

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

55 PROCEEDINGS AT GENERAL MEETINGS

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

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[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

56 VOTES OF MEMBERS

Subject to any rights or restrictions for the time being attached to any class or classes of shares, -
(a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be as laid down in section 87.

Sch. I Table A Regulation 57

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

57 VOTES OF MEMBERS

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

Sch. I Table A Regulation 58

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

58. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

Sch. I Table A Regulation 59

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

59 VOTES OF MEMBERS

No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

Sch. I Table A Regulation 60

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

60 VOTES OF MEMBERS

(1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(2) Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

Sch. I Table A Regulation 61

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

61 VOTES OF MEMBERS

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Sch. I Table A Regulation 62

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

62 VOTES OF MEMBERS

An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances admit.

Sch. I Table A Regulation 63

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

63 VOTES OF MEMBERS

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given : Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Sch. I Table A Regulation 64

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

64 BOARD OF DIRECTORS

The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

Sch. I Table A Regulation 65

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

65 BOARD OF DIRECTORS

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

(2) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them -

(a) in attending and returning from meetings of the Board of directors or any committee thereof or general meetings of the company; or
(b) in connection with the business of the company.

Sch. I Table A Regulation 66

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

66 BOARD OF DIRECTORS

The qualification of a director shall be the holding of atleast one share in the company.

Sch. I Table A Regulation 67

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

67 BOARD OF DIRECTORS

The Board may pay all expenses incurred in getting up and registering the company.

Sch. I Table A Regulation 68

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

68 BOARD OF DIRECTORS

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

Sch. I Table A Regulation 69

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

69 BOARD OF DIRECTORS

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

Sch. I Table A Regulation 70

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

70 BOARD OF DIRECTORS

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

Sch. I Table A Regulation 71

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

71 BOARD OF DIRECTORS

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

Sch. I Table A Regulation 72

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

72 BOARD OF DIRECTORS

(1) The Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(2) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Sch. I Table A Regulation 73

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

73 PROCEEDINGS OF BOARD

(1) The Board of directors may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit.

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

Sch. I Table A Regulation 74

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

74 PROCEEDINGS OF BOARD

(1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

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

Sch. I Table A Regulation 75

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

75 PROCEEDINGS OF BOARD

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

Sch. I Table A Regulation 76

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

76 PROCEEDINGS OF BOARD

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

(2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

Sch. I Table A Regulation 77

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

77 PROCEEDINGS OF BOARD

(1) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(2) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Sch. I Table A Regulation 78

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

78 PROCEEDINGS OF BOARD

(1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairman of the meeting.

Sch. I Table A Regulation 79

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

79 PROCEEDINGS OF BOARD

(1) A committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairman shall have a second or casting vote.

Sch. I Table A Regulation 80

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

80 PROCEEDINGS OF BOARD

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

Sch. I Table A Regulation 81

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

81 PROCEEDINGS OF BOARD

Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

Sch. I Table A Regulation 82

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

82 MANAGER OR SECRETARY

Subject to the provisions of the Act, -

(1) A manager or secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or secretary so appointed may be removed by the Board;

(2) A director may be appointed as manager or secretary.

Sch. I Table A Regulation 83

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

83 MANAGER OR SECRETARY

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

Sch. I Table A Regulation 84

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

84 THE SEAL

(1) The Board shall provide for the safe custody of the seal.

(2) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Sch. I Table A Regulation 85

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

85 DIVIDENDS AND RESERVE

The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Sch. I Table A Regulation 86

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

86 DIVIDENDS AND RESERVE

The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

Sch. I Table A Regulation 87

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

87 DIVIDENDS AND RESERVE

(1) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(2) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.

Sch. I Table A Regulation 88

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

88 DIVIDENDS AND RESERVE

(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

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

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Sch. I Table A Regulation 89

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

89 DIVIDENDS AND RESERVE

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

Sch. I Table A Regulation 90

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

90 DIVIDENDS AND RESERVE -

OMITTED BY NOTIFICATION NO. GSR 631, DATED 23-4-1966.

Sch. I Table A Regulation 91

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

91 DIVIDENDS AND RESERVE

(1) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

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

Sch. I Table A Regulation 92

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

92 DIVIDENDS AND RESERVE

Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.

Sch. I Table A Regulation 93

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

93 DIVIDENDS AND RESERVE

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

Sch. I Table A Regulation 94

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

94 DIVIDENDS AND RESERVE

No dividend shall bear interest against the company.

Sch. I Table A Regulation 95

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

95 ACCOUNTS

(1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(2) No member (not being a director) shall have any right of inspecting any accounts or books or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Sch. I Table A Regulation 96

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

96 CAPITALISATION OF PROFITS

- (1) The company in general meeting may, upon the recommendation of the Board, resolve -
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) either in or towards
- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A share premium account and a capital redemption reserve account may, for the purposes 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.
- (4) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

Sch. I Table A Regulation 97

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

97 CAPITALISATION OF PROFITS

- (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall -
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power -
- (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, 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.
- (3) Any agreement made under such authority shall be effective and binding on all such members.

Sch. I Table A Regulation 98

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

98 WINDING UP

- (1) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall

think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Sch. I Table A Regulation 99

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

A REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES
99 INDEMNITY.

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 judgment is given in his favour or in which he is acquitted or in connection with any application under section 633 in which relief is granted to him by the Court.

Sch. I Table B

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

B MEMORANDUM OF ASSOCIATION OF A COMPANY LIMITED BY SHARES

1st. - The name of the company is "The Eastern Steam Packet Company Limited".

2nd. - The registered office of the company will be situated in the State of Bombay.

3rd. -

(a) The main objects to be pursued by the company on its incorporation are "the conveyance of passengers and goods in ships or boats between such places as the company may from time to time determine".

(b) The objects incidental or ancillary to the attainment of the above main objects are "the acquisition, construction, building, setting up and provision of establishments for repairing ships or boats, for the training of personnel required for the running of ships or boats and the doing of all such other things as are conducive to the attainment of the foregoing main objects."

(c) The other objects for which the company is established are "carrying on the business of carriers by land and air and the running of hotels for tourists".

4th. - The liability of the members is limited.

5th. - The share capital of the company is two hundred thousand rupees, divided into one thousand shares of two hundred rupees each. We, the several persons whose names and addressees 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 Number of shares occupations of subscribers. taken by each subscriber.-----1.

A.B. of, Merchant 2002. C.D. of, Merchant 253. E.F. of, Merchant 304. G.H. of, Merchant 405. I.J. of, Merchant 156. K.L. of, Merchant 57. M.N. of, Merchant 10 ----- Total shares taken 325-----

Dated the day of 19. Witness to the above signatures X.Y. of

Sch. I Table C

THE FIRST SCHEDULE

[See sections 2(2), 14, 28(1), 29 and 223]

C MEMORANDUM AND ARTICLES OF ASSOCIATION OF A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL MEMORANDUM OF ASSOCIATION

1st. - The name of the company is "The Mutual Calcutta Marine Association Limited".

2nd. - The registered office of the company will be situated in the State of West Bengal.

3rd. -

(a) The main objects to be pursued by the company on its incorporation are "the mutual insurance of ships belonging to members of the company".

(b) The objects incidental or ancillary to the attainment of the above main objects are "Providing for the welfare of employees or ex-employees of the company and the making, drawing, accepting, endorsing, executing and issuing of any negotiable or transferable documents and the doing of such other things as are conducive to the attainment of the foregoing main objects".

(c) The other objects for which the company is established are "building, equipping and maintaining charitable hospitals, running of schools and undertaking any other social service".

4th. - The liability of the members is limited.

5th. - Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding one hundred rupees. 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. -----

-----Names, addresses, descriptions and occupations of subscribers-----

1. A.B. of, Merchant.2. C.D. of, Merchant.3. E.F. of, Merchant.4. G.H. of, Merchant.5. I.J. of, Merchant.6. K.L. of, Merchant.7. M.N. of, Merchant.-----

----- Dated the day of19 Witness to the above signatures X.Y. of

ARTICLES OF ASSOCIATION OF A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL INTERPRETATION .

(1) In these articles -

- (a) "the Act" means the Companies Act, 1956,
- (b) "the seal" means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

MEMBERS .

The number of members with which the company proposes to be registered is 500, but the Board of directors may, from time to time, whenever the company or the business of the company requires it, register an increase of members.

3. The subscribers to the memorandum and such other persons as the Board shall admit to membership shall be members of the company.

GENERAL MEETINGS

4. All general meetings other than annual general meetings shall be called extraordinary general meetings.

5.

(1) The Board may, whenever it thinks fit, call an extraordinary general meeting.

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

PROCEEDINGS AT GENERAL MEETINGS

6.

(1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

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

7.

(1) If within half an hour from the time appointed for holding the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved.

(2) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Board may determine.

(3) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

8. The chairman, if any, of the Board shall preside as chairman at every general meeting of the company.

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

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

11.

(1) The chairman may, with the consent of any meeting at which a quorum is present, and, shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

12. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

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

VOTES OF MEMBERS

14. Every member shall have one vote.

15. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

16. No member shall be entitled to vote at any general meeting unless all sums presently payable by him to the company have been paid.

17.

(1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(2) Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

18. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed :

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

19. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

20.

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

(2) The directors may also be paid all travelling, hotel and other expenses properly incurred by them -

(a) in attending and returning from meetings of the Board or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

PROCEEDINGS OF MEETINGS OF BOARD

21.

(1) The Board of directors may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit.

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

22.

(1) Save as otherwise expressly provided in this Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

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

23. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

24.

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

(2) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairman of the meeting.

25.

(1) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(2) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

26.

(1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairman of the meeting.

27.

(1) A committee may meet and adjourn as it thinks proper.

(2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the chairman shall have a second or casting vote.

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

29. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

MANAGER OR SECRETARY

30.

(1) A manager or secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any manager or secretary so appointed may be removed by the Board.

(2) A director may be appointed as manager or secretary.

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

THE SEAL

32.

(1) The Board shall provide for the safe custody of the seal.

(2) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board of directors, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. -----

Names, addresses, descriptions and occupations of subscribers-----

-----1. A.B. of, Merchant.2. C.D. of,
Merchant.3. E.F. of, Merchant.4. G.H. of, Merchant.5. I.J.

of Merchant.6. K.L. of Merchant.7. M.N. of Merchant.----- Dated the day of 19.... Witness to the above signatures X.Y. of
Sch. I Table D
TABLE D

Memorandum and Articles of Association of a Company Limited by Guarantee and having a Share Capital

Memorandum of Association

1st.—The name of the company is "The snowy Range Hotel Company Limited."

2nd.—The registered office of the company will be situate in the State of West Bengal.

3rd.—The objects for which the company is established are "the facilitating of travelling in the Snowy Range, by provided hotels and conveyances by sea and by land for the accommodation of Travellers and the doing of all such other things as are incidental or conducive the attainment of the above object".

4th.—The liability of the members is limited.

5th.—Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he is a member, or within one year after he ceases to be a member for payment of the debts and liabilities of the company, contracted before he ceases to be a member, and the costs, charges and expenses of winding up the same for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding fifty rupees.

6th.—The share capital of the company shall consist of five hundred thousand rupees, divided into five thousand shares of one hundred rupees each.

We, the several persons whose names and addresses are subscribed and 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, Number of shares taken by each subscriber.

- | | |
|-----------------------------------|-----|
| 1. A.B.of, Merchant | 200 |
| 2. C.D.of, " | 25 |
| 3. E.F.of, " | 30 |
| 4. G.H.of, " | 40 |
| 5. I.J.of, " | 15 |
| 6. K.L.of, " | 5 |
| 7. M.N.of, " | 10 |

Total shares taken 325

Dated the day of 19.

Witness to the above signatures

X.Y.of

Articles of Association of a Company Limited by Guarantee and having a Share Capital

1.The number of members with which the company proposed to be registered is 100, but the directors may from time to time register an increase of members.

2.All the articles of Table A in Schedule I annexed to the Companies Act, 1956, shall be deemed to be incorporated with these articles and to apply to the company.

Names, Addresses, Descriptions and Occupations of Subscribers.

- 1. A.B.of, Merchant
- 2. C.D.of, "
- 3. E.F.of, "
- 4. G.H.of, "
- 5. I.J.of, "
- 6. K.L.of, "
- 7. M.N.of, "

Dated the day of 19.

Witness to the above signatures

X.Y.of

Sch. I Table E

TABLE E

Memorandum and Articles of Association of an Unlimited Company.

Memorandum of Association.

1st.—The name of the company is "The Patent Stereotype Company".

2nd.—The registered office of the company will be situate in the State of West Bengal.

3rd.—The objects for which the company is established are "the working of a patent method for founding and casting stereotype plates of which method P.Q., of Bombay, is the sole patentee."

We, the several persons whose names re 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 Number of shares taken by each of Subscribers subscriber.

- 1. A.B.of, Merchant 3

- 2. C.D.of , " 2
- 3. E.F.of , " 1
- 4. G.H.of , " 2
- 5. I.J.of , " 2
- 6. K.L.of , " 1
- 7. M.N.of , " 1

 Total shares taken 12

Dated the day of 19.

Witness to the above signatures

X.Y.of

Articles of Association of Unlimited Company

1.The number of members with which the company proposes to be registered is 20, but the Board may from time to time register an increase of members.

2.The share capital of the company is twenty thousand rupees, divided into twenty shares of one thousand rupees each.

3.The company may by special resolution—

(a) increase the share capital by such sum to be divided into shares of such amount as the resolution may prescribe;

(b) consolidate its shares into shares of a larger amount than its existing shares;

(c) sub-divide its shares into shares of a smaller amount than its existing shares;

(d) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person;

(e) reduce its share capital in any way.

4.All the articles of Table A in Schedule I to the Companies Act, 1956, except articles (36, 37, 38, 44, 45 and 46) shall be deemed to be incorporated with these articles and to apply to the company.

Names, Addresses, Descriptions and Occupations of Subscribers.

- 1. A.B.of, Merchant
- 2. C.D.of , "
- 3. E.F.of , "
- 4. G.H.of , "
- 5. I.J.of , "
- 6. K.L.of , "
- 7. M.N.of , "

Dated the day of 19.

Witness to the above signatures

X.Y.of
Sch. I Table F

TABLE F

Form of Statement to be published by Limited Banking Companies, Insurance Companies and Deposit, Provident of Benefit Societies.

{If the company has no capital divided into shares, the portion of the statement relating to capital and shares must be omitted.}

The share capital of the company is Rs.....divided intoshares of Rs.....
each.

The number of shares issued isCalls to the amount of Rs..... per share have been made, under which the sum of Rs.....has been received.

The liabilities of the company on the thirty-first day of December (or thirteenth day of June) were—

Debts owing to sundry persons by the company;

Under decree, Rs.

On mortgages or bonds, Rs.

On notes, bills or hundis, Rs.

On other contracts.Rs.

On estimated liabilities, Rs.

The assets of the company on that day were:

Government securities [stating them], Rs.

Bills of exchange, hundis, and promissory notes, Rs.

Cash at the Bankers, Rs.

Other securities, Rs.

ch. II Part I

MATTERS TO BE SPECIFIED IN PROSPECTUS AND REPORTS TO BE SET OUT THEREIN.
[See sections 44(2)(a) and 56]

PART II. GENERAL INFORMATION :

(a) Name and address of registered office of the company.

(b)

(i) Consent of the Central Government for the present issue and declaration of the Central Government about non-responsibility for financial soundness or correctness of statements.

(ii) Letter of intent/industrial licence and declaration of the Central Government about non-responsibility for financial soundness or correctness of statements.

(c) Names of regional stock exchange and other stock exchanges where application made for listing of present issue.

(d) Provisions of sub-section (1) of section 68A of the Companies Act, relating to punishment for fictitious applications.

(e) Statement/declaration about refund of the issue if minimum subscription of 90% is not received within 90 days from closure of the issue.

(f) Declaration about the issue of allotment letters/refunds within a period of 10 weeks and interest in case of any delay in refund at the prescribed rate under section 73(2)/(2A).

(g) Date of opening of the issue. Date of closing of the issue. Date of earliest closing of the issue.

(h) Name and address of auditors and lead managers.

(i) Name and address of trustee under debenture trust deed (in case of debenture issue).

(j) Whether rating from Crisil or any rating agency has been obtained for the proposed debenture/preference shares issue. If no rating has been obtained, this should be answered as "No". If "yes" the rating should be indicated.

(k) Underwriting of the issue (Names and addresses of the underwriters and the amount underwritten by them). (Declaration by board of directors that the underwriters have sufficient resources to discharge their respective obligations.)

(l) a statement by the board of directors stating that

(i) all monies received out of issue of shares or debentures to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 73;

(ii) details of all monies utilised out of the issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance-sheet of the company indicating the purpose for which such monies had been utilised; and

(iii) details of all unutilised monies out of the issue of shares or debentures, if any, referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance-sheet of the company indicating the form in which such unutilised monies have been invested.

II. CAPITAL STRUCTURE OF THE COMPANY

(a) Authorised, issued, subscribed and paid-up capital.

(b) Size of present issue giving separately reservation for preferential allotment to promoters and others.

(c) Paid-up capital (i) after the present issue (ii) after conversion of debentures (if applicable)

III. TERMS OF THE PRESENT ISSUE

(a) Terms of payments.

(b) Rights of the instrument holders.

(c) How to apply - availability of forms, prospectus and mode of payment.

(d) Any special tax benefits for company and its shareholders.

IV. Particulars of the issue

(a) Objects.

(b) Project cost.

(c) Means of financing (including contribution of promoters)

V. COMPANY, MANAGEMENT AND PROJECT

(a) History and main objects and present business of the company.

(b) Subsidiary(ies) of the company, if any (For financial data, refer to auditor's report in Part II).

(c) Promoters and their background.

(d) Names, addresses and occupation of manager, managing director and other directors including nominee-directors, whole-time directors (giving their directorships in other companies).

(e) Location of project.

(f) Plant and machinery, technology, process, etc.

(g) Collaboration, any performance guarantee or assistance in marketing by the collaborators.

(h) Infrastructure facilities for raw materials and utilities like water, electricity, etc.

(i) Schedule of implementation of the project and progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, trial production, date of commercial production, etc.

(j) The products :

(i) Nature of the product/s - consumer/industrial and end users

(ii) Approach to marketing and proposed marketing set up

(iii) Export possibilities and export obligations, if any (in case of a company providing any "service" particulars, as applicable, be furnished).

(k) Future prospects - expected capacity utilisation during the first three years from the date of commencement of production, and the expected year when the company would be able to earn cash profits and net profits. Stock market data for shares/debentures of the company (high/low price) in each of the last three years and monthly high/low during the last six months (where applicable).

VI. FOLLOWING PARTICULARS IN REGARD TO THE COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS :

Name of the company Year of issue Type of issue (Public/rights/composite) Amount of issue Date of closure of issue Date of completion of delivery of share/debenture certificates. Date of completion of the project, where object of the issue was financing of a project Rate of dividend paid VII.

(a) Outstanding litigation pertaining to -

(i) matters likely to affect operation and finances of the company including disputed tax liabilities of any nature; and

(ii) criminal prosecution launched against the company and the directors for alleged offences under the enactments specified in paragraph 1 of Part I of Schedule XIII to the Companies Act, 1956.

(b) Particulars of default, if any, in meeting statutory dues, institutional dues, and towards instrument holders like debentures, fixed deposits, and arrears on cumulative preference private promoters and listed on stock exchanges).

(c) Any material development after the date of the latest balance-sheet and its impact on performance and prospects of the company.

VIII. MANAGEMENT PERCEPTION OF RISK FACTORS (E.G., SENSITIVITY TO FOREIGN EXCHANGE RATE FLUCTUATIONS, DIFFICULTY IN AVAILABILITY OF RAW MATERIALS OR IN MARKETING OF PRODUCTS, COST/TIME OVERRUN, ETC.).

Sch. II Part II

MATTERS TO BE SPECIFIED IN PROSPECTUS AND REPORTS TO BE SET OUT THEREIN.

[See sections 44(2)(a) and 56]

A. GENERAL INFORMATION

1. Consent of directors, auditors, solicitors/advocates, managers to the issue, Registrar of Issue, bankers to the company, bankers to the issue and experts.

2. Expert opinion obtained, if any.

3. Change, if any, in directors and auditors during the last three years, and reasons thereof.

4. Authority for the issue and details of resolution passed for the issue.

5. Procedure and time schedule for allotment and issue of certificates.

6. Names and addresses of the company secretary, legal adviser, lead managers, co-managers, auditors, bankers to the company, bankers to the issue, and brokers to the issue.

B. FINANCIAL INFORMATION

Reports to be set out

1. A report by the auditors of the company with respect to -

2.

(a) profits and losses and assets and liabilities, in accordance with sub-clause (2) or (3) of this clause, as the case may require; and

(b) the rates of the dividends, if any, paid by the company in respect of each class of shares in the company for each of the five financial years immediately preceding the issue of the prospectus, giving particulars of each class of shares on which such dividends have been paid and particulars of the cases in which no dividends have been paid in respect of any class of shares for any of those years; and, if no accounts have been made up in respect of any part of the period of five years ending on a date three months before the issue of the prospectus, containing a statement of that fact (and accompanied by a statement of the accounts of the company in respect of that part of the said period up to a date not earlier than six months of the date of issue of the prospectus indicating the profit or loss for that period and the assets and liabilities position as at the end of that period together with a certificate from the auditors that such accounts have been examined and found correct by them. The said statement may indicate the nature of provision or adjustments made or are yet to be made).

3. If the company has no subsidiaries, the report shall -

(a) so far as regards profits and losses, deal with the profits or losses of the company (distinguishing items of a non-recurring nature) for each of the five financial years immediately preceding the issue of the prospectus; and

(b) so far as regards assets and liabilities, deal with the assets and liabilities of the company at the last date to which the accounts of the company were made up.

3. If the company has subsidiaries, the report shall -

(a) so far as regards profits and losses, deal separately with the company's profits or losses as provided by sub-clause (2) and in addition deal either -

(i) as a whole with the combined profits or losses of its subsidiaries, so far as they concern members of the company; or

(ii) individually with the profits or losses of each subsidiary, so far as they concern members of the company; or, instead of dealing separately with the company's profits or losses, deal as a whole with the profits or losses of the company, and, so far as they concern members of the company, with the combined profits or losses of its subsidiaries; and

(b) so far as regards assets and liabilities, deal separately with the company's assets and liabilities as provided by sub-clause (2) and in addition, deal either -

(i) as a whole with the combined assets and liabilities of its subsidiaries, with or without the company's assets and liabilities; or

(ii) individually with the assets and liabilities of each subsidiary; and shall indicate as respects the assets and liabilities of the subsidiaries, the allowance to be made for persons other than members of the company.

4. If the proceeds, or any part of the proceeds, of the issue of the shares or debentures are or is to be applied directly or indirectly -

(i) in the purchase of any business; or

(ii) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith; the company will become entitled to an interest as respects either the capital or profits and losses or both, in such business exceeding fifty per cent, thereof; a report made by accountants (who shall be named in the prospectus) upon -

(a) the profits or losses of the business for each of the five financial years immediately preceding the issue of the prospectus; and

(b) the assets and liabilities of the business at the last date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the prospectus.

5. (i) If -

(a) the proceeds, or any part of the proceeds, of the issue of the shares or debentures are or is to be applied directly or indirectly in any manner resulting in the acquisition by the company of shares in any other body corporate; and

(b) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate will become a subsidiary of the company; a report made by accountants (who shall be named in the prospectus) upon -

(i) the profits or losses of the other body corporate for each of the five financial years immediately preceding the issue of the prospectus; and

(ii) the assets and liabilities of the other body corporate at the last date to which its accounts were made up.

(ii) The said report shall -

(a) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the company and what allowance would have fallen to be made, in relation to assets and liabilities so dealt with for holders of other shares, if the company had at all material times held the shares to be acquired; and

(b) where the other body corporate as subsidiaries deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner provided by sub-clause (2) above in relation to the company and its subsidiaries.

6. Principal terms of loan and assets charged as security

C. STATUTORY AND OTHER INFORMATION

1. Minimum subscription

2. Expenses of the issue giving separately fee payable to :

(a) Advisers.

(b) Registrars to the issue.

(c) Managers to the issue.

(d) Trustees for the debenture-holders.

3. Underwriting commission and brokerage

4. Previous issue for cash

5. Previous public or rights issue, if any :(during last five years)

a) Date of allotment : Closing date : Date of refunds : Date of listing on the stock exchange :

(b) If the issue(s) at premium or discount and the amount thereof.

(c) The amount paid or payable by way of premium, if any, on each share which had been issued within the two years preceding the date of the prospectus, or is to be issued, stating the dates or proposed dates of issue and, where some shares have been or are to be issued at a premium and other shares of the same class at a lower premium, or at par or at a discount, the reasons for the differentiation and how any premiums received have been or are to be disposed.

6. Commission or brokerage on previous issue.

7. Issue of shares otherwise than for cash.

8. Debentures and redeemable preference shares and other instruments issued by the company outstanding as on the date of prospectus and terms of issue.

9. Option to subscribe.

9A. The details of option to subscribe for securities to be dealt with in a depository.

10. Purchase of property :

(i) As respects any property to which this clause applies -

(a) the names, addresses, descriptions and occupations of the vendors;

(b) the amount paid or payable in cash, shares or debentures to the vendor and, where there is more than one separate vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

(c) the nature of the title or interest in such property acquired or to be acquired by the company;

(d) short particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property to the company or any person who is, or was at the time of the transaction, a promoter, or a director or proposed director of the company had any interest, direct or indirect, specifying the date of transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction.

(ii) The property to which sub-clause (1) applies is a property purchased or acquired by the company or proposed to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by the prospectus or the purchase or acquisition of which has not been completed at the date of issue of the prospectus, other than property -

(a) the contract for the purchase or acquisition whereof was entered into in the ordinary course of the company's business, the contract not being made in contemplation of the issue nor the issue in consequence of the contract; or

(b) as respects which the amount of the purchase money is not material.

(iii) For the purpose of this clause, where a vendor is a firm, the members of the firm shall not be treated as separate vendors.

(iv) If the company proposes to acquire a business which has been carried on for less than three years, the length of time during which the business has been carried on.

11. (i) Details of directors, proposed directors, whole-time directors, their remuneration, appointment and remuneration of managing directors, interests of directors, their borrowing powers and qualification shares.

Any amount or benefit paid or given within the two preceding years or intended to be paid or given to any promoter or officer and consideration for payment of giving of the benefit.

(ii) The dates, parties to, and general nature of -

(a) every contract appointing or fixing the remuneration of a managing director or manager whenever entered into, that is to say, whether within or more than, two years before the date of the prospectus;

(b) every other material contract, not being a contract entered into in the ordinary course of the business carried on or intended to be carried on by the company or a contract entered into more than two years before the date of the prospectus.

A reasonable time and place at which any such contract or a copy thereof may be inspected.

(iii) Full particulars of the nature and extent of the interest, if any, of every director or promoter -

(a) in the promotion of the company; or

(b) in any property acquired by the company within two years of the date of the prospectus or proposed to be acquired by it.

Where the interest of such a director or promoter consists in being a member of a firm or company, the nature and extent of the interest of the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a director, or otherwise for services rendered by him or by the firm or company in connection with the promotion or formation of the company.

12. Rights of members regarding voting, dividend, lien on shares and the process for modification of such rights and forfeiture of shares.

13. Restrictions, if any, on transfer and transmission of shares/debentures and on their consolidation/splitting.

14. Revaluation of assets, if any (during last five years).

15. Material contracts and inspection of documents, e.g.

A. Material contracts.

B. Documents.

C. Time and place at which the contracts together with documents will be available for inspection from the date of prospectus until the date of closing of the subscription list.

Sch. II Part III

MATTERS TO BE SPECIFIED IN PROSPECTUS AND REPORTS TO BE SET OUT THEREIN.

[See sections 44(2)(a) and 56]

PROVISIONS APPLYING TO PARTS I AND II OF SCHEDULE

16. Every person shall, for the purpose of this Schedule, be deemed to be a vendor who has entered into any contract, absolute or conditional, for the sale or purchase or for any option of purchase, of any property to be acquired by the company, in any case where -

(a) the purchase money is not fully paid at the date of the issue of the prospectus;

(b) the purchase money is to be paid or satisfied, wholly or in part, out of the proceeds of the issue offered for subscription by the prospectus;

(c) the contract depends for its validity or fulfilment on the result of that issue.

17. Where any property to be acquired by the company is to be taken on lease, this Schedule shall have effect as if the expression "vendor" included the lessor, the expression "purchase money" included the consideration for the lease, and the expression "sub-purchaser" included a sub-lessee.

18. If in the case of a company which has been carrying on business, or of a business which has been carried on for less than five financial years, the accounts of the company or business have only been made up in respect of four such years, three such years, two such years or one such year, Part II of this Schedule shall have effect as if references to four financial years, three

financial years, two financial years or one financial year, as the case may be, were substituted for references to five financial years.

19. Where the five financial years immediately preceding the issue of the prospectus which are referred to in Part II of this Schedule or in this Part cover a period of less than five years, references to the said five financial years in either Part shall have effect as if references to a number or financial years the aggregate period covered by which is not less than five years immediately preceding the issue of the prospectus were substituted for references to the five financial years aforesaid.

20. Any report required by Part II of this Schedule shall either -

(a) indicate by way of note any adjustments as respects the figures of any profits or losses or assets and liabilities dealt with by the report which appear to the persons making the report necessary; or

(b) make those adjustments and indicate that adjustments have been made.

21. Any report by accountants required by Part II of this Schedule -

(a) shall be made by accountants qualified under this Act for appointment as auditors of the company; and

(b) shall not be made by any accountant who is an officer or servant, or a partner or in the employment of an officer or servant, of the company or of the company's subsidiary or holding company or of a subsidiary of the company's holding company. For the purposes of this clause, the expression "officer" shall include a proposed director but not an auditor.

22. Inspection of documents : Reasonable time and place at which copies of all balance sheets and profit and loss accounts, if any, on which the report of the auditors is based, and material contracts and other documents may be inspected. Note : Term "year" wherever used hereinafter, means financial year. Declaration : That all the relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government have been complied with and no statement made in prospectus is contrary to the provisions of Companies Act, 1956, and rules thereunder.

Place :Date : Signature of directors

Schedule III Part 1

[See section 70]

FORM OF STATEMENT IN LIEU OF PROSPECTUS TO BE DELIVERED TO REGISTRAR BY A COMPANY WHICH DOES NOT ISSUE A PROSPECTUS OR WHICH DOES NOT GO TO ALLOTMENT ON A PROSPECTUS ISSUED. AND REPORTS TO BE SET OUT THEREIN

PART I

FORM OF STATEMENT AND PARTICULARS TO BE CONTAINED THEREIN THE COMPANIES ACT, 1956

Statement in lieu of prospectus delivered for registration by

.....

[Insert the name of the company]

PURSUANT TO SECTION 70 OF THE COMPANIES ACT, 1956

Delivered for registration by.....

The nominal share capital of the company Rs.

Divided intoshares of Rs.....each

..... " " "

..... " " "

Amount (if any) of above capital whichshares of Rs.....each

consists of redeemable preference shares

The earliest date on which the company

has power to redeem these shares.

Amount (if any) of above capital which consists of redeemable preference shares. The earliest date on which the company has power to redeem these shares.

Names, addresses, descriptions and occupations of.

- (a) directors or proposed directors;
- (b) managing director or proposed managing director ;
- (c) *[managing agent or proposed managing agent ;
- (d) secretaries and treasurers or proposed secretaries and treasurers];
- (e) manager or proposed manager.

Any provision in the articles of the company or in any contract irrespective of the time when it was entered into, as to the appointment of and remuneration payable to the persons referred to in (a), (b), (c) and (d) and (e) above.

If the share capital of the company is divided into different classes of shares, the right of voting at meetings of the company conferred by, and the rights in respect of capital and dividends attached to, the several classes of shares respectively.

.....shares of Rs. each

Number and amount of shares and debentures agreed to be issued as fully or partly paid up otherwise than in cash.

The consideration for the intended issue of those shares and debentures.

Number, description and amount of any shares or debentures which any person has or is entitled to be given an option to subscribe for, or to acquire from, a person to whom they have been allotted or agreed to be allotted with a view to his offering them for sale.

Period during which the option is exercisable.

Price to be paid for shares or debentures subscribed for or acquired under the option.

Consideration for the option or the right to option

1..... shares of Rs.....

fully paid

2. shares upon which Rs. per share credited as paid.

3.debentures Rs.

4. Consideration :

1. shares of Rs. and debentures of Rs.

2. Until

3.

4. Consideration

Persons to whom the option or the right to option was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures.

Names, occupations and addresses of vendors of property purchased or acquired, or proposed to be purchased or acquired by the company except where the contract for its purchase or acquisition was entered into in the ordinary course of the business intended to be carried on by the company or the amount of the purchase money is not material.

5. Names and addresses

Amount (in cash, shares or debentures) payable to each separate vendor.

Amount (if any) paid or payable (in cash, shares or debentures) for each such property, specifying amount (if any) paid or payable for goodwill.

Short particulars of every transaction relating to each such property which was completed within the two preceding years and in which any vendor to the company or any person who is, or was at the time thereof, a promoter, director or proposed director of the company had any interest, direct or indirect.

Total purchase price :

Rs.

Cash Rs.

Shares Rs.

Debentures Rs.

Goodwill Rs.

Amount (if any) paid or payable as commission for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares or debentures in the company ;

or

Rate of commission

The number of shares, if any, which persons have agreed to subscribe for a commission.

If it is proposed to acquire any business, the amount, as certified by the persons by whom the accounts of the business have been audited, of the net profits of the business in respect of each of the five years immediately preceding the date of this statement, provided that in the case of a business which has been carried on for less than five years and the accounts of which have only been made up in respect of four years, three years, two years or one year, the above requirements shall have effect as if references to four years, three years, two years or one year, as the case may be, were substituted for references to five years, and in any such case the statement shall say how long the business to be acquired has been carried on.

Where the financial year with respect to which the accounts of the business have been made up is greater or less than a year, references to five years, four years, three years, two years, and one year in this paragraph shall have effect as if references to such number of financial years as in the aggregate, cover a period of not less than five years, four years, three years, two years or one year, as the case may be, were substituted for references to three years, two years and one year respectively.

Amount paid

Amount payable

Rate per cent

Estimated amount of preliminary expenses

By whom those expenses have been paid or are payable.

Rs.

Amount paid or intended to be paid to any promoter.

Consideration for the payment

Any other benefit given or intended to be given to any promoter

Consideration for the benefit

Dates of, parties to, and general nature of -

(a) contract appointing or fixing the remuneration of directors, managing director *[,managing agent, secretaries and treasurers,] or manager ; and

(b) every other material contract (other than (i) contracts entered into in the ordinary course of the business intended to be carried on by the company or (ii) entered into more than two years before the delivery of this statement)

Time and place at which (1) the contracts or copies thereof or (2)(i) in the case of a contract not reduced into writing, a memorandum giving full particulars thereof, and (ii) in the case of a contract wholly or partly in a language other than English, a copy of a translation thereof in English or embodying a translation in English of the parts in the other language, as the case may be, being a translation certified in the prescribed manner to be a correct translation, may be inspected.

Names and addresses of the auditors of the company (if any)

Full particulars of the nature and extent of the interest of every director, managing director *[, managing agent, secretaries and treasurers] or manager in the promotion of or in the property proposed to be acquired by the company, or where the interest of such a director consists in being a partner in a firm, the nature and extent of the interest of the firm, with a statement of all sums paid or agreed to be paid to him or to the firm in cash or shares, or otherwise, by any person either to induce him to become, or to qualify him as, a director, or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the company.

Name of promoter

Amount Rs.

Consideration

Name of promoter

Nature and value of benefit

.....

Consideration

(Signatures of the persons abovenamed as directors or proposed directors, or of their agents authorised in writing)

Date

.....

.....

.....

Schedule 3 Part II
REPORTS TO BE SET OUT

1. Where it is proposed to acquire a business, a report made by accountants (who shall be named in the statement) upon—

(a) the profits or losses of the business in respect of each of the five financial years immediately preceding the delivery of the statement to the Registrar; and

(b) the assets and liabilities of the business as at the last date to which the accounts of the business were made up.

2.

(1) Where it is proposed to acquire shares in a body corporate which by reason of the acquisition or anything to be done in consequence thereof or in connection therewith will become as subsidiary of the company, a report made by accountants (who shall be named in the statement) with respect to the profits and losses and assets and liabilities of the other body corporate in accordance with sub-clause (2) or (3) of this clause, as the case may require, indicating how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the company, and what allowance would have fallen to be made, in relation to assets and liabilities so dealt with, for holders of other shares, if the company had at all material times held the shares to be acquired.

(2) If the other body corporate has no subsidiaries, the report referred to in sub-clause (1) shall—

(a) so far as regards profits and losses, deal with the profits or losses of the body corporate in respect of each of the five financial years immediately preceding the delivery of the statement to the Registrar; and

(b) so far as regards assets and liabilities, deal with the assets and liabilities of the body corporate as at the last date to which the accounts of the body corporate were made up.

(3) If the other body corporate has subsidiaries, the report referred to in sub-clause (1) shall—

(a) so far as regards profits and losses, deal separately with the other body corporate's profits or losses as provided by sub-clause (2), and in addition deal either—

(i) as a whole with the combined profits or losses of its subsidiaries so far as they concern members of the other body corporate; or

(ii) individually with the profits or losses of each subsidiary, so far as they concern members of the other body corporate;

or, instead of dealing separately with the other body corporate's profits or losses, deal as a whole with the profits or losses of the other body corporate, and, so far as they concern members of the other body corporate, with the combined profits or losses of its subsidiaries; and

(b) so far as regards assets and liabilities, deal separately with the other body corporate's assets and liabilities as provided by sub-clause (2) and, in addition, deal either—

(i) as a whole with the combined assets and liabilities of its subsidiaries, with or without the other body corporate's assets and liabilities; or

(ii) individually with the assets and liabilities of each subsidiary; and shall indicate, as respect the assets and liabilities of the subsidiaries, the allowance to be made for persons other than members of the company.

Schedule 3 Part III

PROVISIONS APPLYING TO PARTS I AND II OF THIS SCHEDULE

1.

(1) In this Schedule, the expression "vendor" includes a vendor as defined in Part III of Schedule II.

(2) Clause 31 of Schedule II shall apply to the interpretation of Part II of this Schedule as it applies to the interpretation of Part II of Schedule II.

2. If in the case of a business which has been carried on, or of a body corporate which has been carrying on business, for less than five financial years, the accounts of the business or body corporate have only been made up in respect of four such years, three such years, two such years or one such year. Part n of this Schedule shall have effect as if references to four financial years, three financial years, two financial years or one financial year, as the case may be, were substituted for references to five financial years.

3. Any report required by Part II of this Schedule shall either -

(a) indicate by way of note any adjustments as reaper the figures of any profits or losses or assets and liabilities dealt with by the report which appear to the person making the report necessary; or

(b) make those adjustments and indicate that adjustments have been made.

4. Any report by accountants required by Part n of this Schedule—

(a) shall be made by accountants qualified under this Act for appointment as auditors of a company; and

(b) shall not be made by any accountant who is an officer or servant, or a partner or in the employment of an officer or servant, of the company or of the company's subsidiary or holding company or of a subsidiary of the company's holding company.

For the purposes of this clause, the expression "officer" shall include a proposed director but not an auditor.

Schedule IV Part I

[See section 44(2)(b)]

FORM OF STATEMENT IN LIEU OF PROSPECTUS TO BE DELIVERED TO REGISTRAR BY A PRIVATE COMPANY ON BECOMING A PUBLIC COMPANY AND REPORTS TO BE SET OUT THEREIN

PART I

FORM OF STATEMENT AND PARTICULARS TO BE CONTAINED THEREIN THE COMPANIES ACT, 1956

Statement in lieu of prospectus delivered for registration by

.....

[Insert the name of the company]

PURSUANT TO CLAUSE (b) OF SUB-SECTION (2) OF SECTION 44 OF THE COMPANIES ACT, 1956

Delivered for registration by

The nominal share capital of the company

Divided into

.....

Rs.....

.....shares of Rs.....each

..... " " "

..... " " "

Amount (if any) of above capital which consists of redeemable preference shares

The earliest date on which the company has power to redeem these shares.

Names, addresses, descriptions and occupations of -

- (a) directors or proposed directors;
- (b) managing director or proposed managing director ;
- (c) *[managing agent or proposed managing agent;
- (d) secretaries and treasurers or proposed secretaries and treasurers;]
- (e) manager or proposed manager.

Any provision in the articles of the company, or in any contract irrespective of the time when it was entered into, as to the appointment of and remuneration payable to the persons referred to in (a), (b), (c), (d) and (e) above

..... shares of Rs. each

Amount of shares issued shares

Amount of commission paid or payable in connection therewith

Amount of discount, if any, allowed on the issue of any shares, or so much thereof as has not been written off at the date of the statement. Unless more than two years have elapsed since the date on which the company was entitled to commence business :-

Amount of preliminary expenses.

By whom those expenses have been paid or are payable

Rs.

Amount paid or intended to be paid to any promoter

Consideration for the payment

Any other benefit given or intended to be given to any promoter

Consideration for the benefit

If the share capital of the company is divided into different classes of shares, the right of voting at meetings of the company conferred by, and the rights in respect of capital and dividends attached to, the several classes of shares, respectively

Name of promoter

Amount Rs.

Consideration

Name of promoter

Nature and value of benefit

.....

Consideration

Number and amount of shares and debentures issued within the two years preceding the date of this statement as fully or partly paid up otherwise than for cash or agreed to be so issued at the date of this statement

Consideration for the issue of those share or debentures

Number, description and amount of any shares or debentures which any person has or is entitled to be given an option to subscribe for, or to acquire from, a person to whom they have been allotted or agreed to be allotted with a view to his offering them for sale

Period during which the option is exercisable.

Price to be paid for shares or debentures subscribed for or acquired under the option

Consideration for the option or right to option

Persons to whom the option or the right to option was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures.

Names, addresses, descriptions and occupations of vendors of property (1) purchased or acquired by the company within the two years preceding the date of this statement or (2) agreed or proposed to be purchased or acquired by the company, except where the contract for its purchase or acquisition was entered into in the ordinary course of business and there is no connection between the transaction and the company ceasing to be a private company or where the amount of the purchase money is not material.

1. shares of Rs.

fully paid.

2. shares upon which Rs.

per share credited as paid

3 debentures of Rs..... each

4. Consideration

1..... shares or Rs.....

and debentures of

Rs.

2. Until

3.

4. Consideration

5. Names and addresses

Amount (in cash, shares or debentures) paid or payable to each separate vendor

Amount paid or payable in cash, shares or debentures for each such property, specifying the amount paid or payable for goodwill.

Short particulars of every transaction relating to each such property which was completed within the two preceding years and in which any vendor to the company or any person who is, or was at the time thereof, a promoter, director or proposed director of the company had any interest direct or indirect.

Total purchase price Rs.

Cash Rs.

Shares Rs.

Debentures Rs.....

Goodwill Rs.

Amount (if any) paid or payable as commission for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares or debentures in the company; or rate of the commission. Amount paid

Amount payable

Rate per cent

The number of shares, if any, which persons have agreed to subscribe for a commission.

If it is proposed to acquire any business, the amount, as certified by the persons by whom the accounts of the business have been audited, of the net profits of the business in respect of each of the five years immediately preceding the date of this statement, provided that in the case of a business which has been carried on for less than five years, and the accounts of which have only been made up in respect of four years, three years, two years or one year, the above requirements shall have effect as if references to four years, three years, two years or one year, as the case may be, were substituted for references to five years, and in any such case, the statement shall say how long the business to be acquired has been carried on.

Where the financial year with respect to which the accounts of the business have been made up is greater or less than a year, references to five years, four years, three years, two years and one year in this paragraph shall have effect as if references to such number of financial years as, in the aggregate, cover a period of not less than five years, four years, three years, two years, or one year, as the case may be, were substituted for references to three years, two years and one year respectively.

Dates of, parties to, and general nature of—

(a) contract appointing or fixing the remuneration of directors, managing director *[, managing agent, secretaries and treasurers] or manager; and

(b) every other material contract [other than contracts entered into in the ordinary course of the business intended to be carried on by the company or («) entered into more than two years before the delivery of this statement].

Time and place at which (1) the contracts or copies thereof; or (2) (i) in the case of a contract not reduced into writing, a memorandum giving full particulars thereof, and (ii) in the case of a contract wholly or partly in a language other than English, a copy of translation thereof in English or embodying a translation in English of the parts in the other language, as the case may be, being a translation certified in the prescribed manner to be a correct translation, may be inspected.

Names and addresses of the auditors of the company.

Full particulars of the nature and extent of the interest of every director, managing director *[, managing agent, secretaries and treasurers] or manager, in any property purchased or acquired by the company within the two years preceding the date of this statement or proposed to be purchased or acquired by the company or, where the interest of such a director consists in being partner in a firm, the nature and extent of the interest of the firm, with a statement of all sums paid or agreed to be paid to him or to the firm in cash or shares, or otherwise, by any person either to induce him to become, or to qualify him as, a director or otherwise for services rendered or to be rendered to the company by him or by the firm. Rates of the dividends (if any) paid by the company in respect of each class of shares in the company in each of the five financial years immediately preceding the date of this statement or since the incorporation of the company, whichever period is shorter.

Particulars of the cases in which no dividends
have been paid in respect of any class of shares
in any of these years.

(Signatures of the persons abovenamed as directors or proposed directors or of their agents authorised in writing)

Date	

Sch. IV Part II
FORM OF STATEMENT IN LIEU OF PROSPECTUS TO BE DELIVERED TO REGISTRAR BY A PRIVATE COMPANY OR BECOMING; A PUBLIC COMPANY AND REPORTS TO BE SET OUT THEREIN
[See section 44(2)(b)]

REPORTS TO BE SET OUT.

1. If unissued shares or debentures of the company are to be applied in the purchase of a business, a report made by accountants (who shall be named in the statement) upon -
 - (a) the profits or losses of the business in respect of each of the five financial years immediately preceding the delivery of the statement to the Registrar; and
 - (b) the assets and liabilities of the business as at the last date to which the accounts of the business were made up.
2.
 - (1) If un-issued shares or debenture of the company are to be applied directly or indirectly in any manner resulting in the acquisition of shares in a body corporate which by reason of the acquisition or anything to be done in consequence thereof or in connection therewith will become

a subsidiary of the company, a report made by accountants (who shall be named in the statement) with respect to the profits and losses and assets and liabilities of the other body corporate in accordance with sub-clause (2) or (3) of this clause, as the case may require, indicating how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the company, and what allowance would have fallen to be made, in relation to assets and liabilities so dealt with, for holders of other shares, if the company had at all material times held the shares to be acquired.

(2) If the other body corporate has no subsidiaries, the report referred to in sub-clause (1) shall -

(a) so far as regards profits and losses, deal with the profits or losses of the body corporate in respect of each of the five financial years immediately preceding the delivery of the statement to the Registrar; and

(b) so far as regards assets and liabilities, deal with the assets and liabilities of the body corporate as at the last date to which the accounts of the body corporate were made up.

(3) If the other body corporate has subsidiaries, the report referred to in sub-clause (1) shall -

(a) so far as regards profits and losses, deal separately with the other body corporate's profits or losses, as provided by sub-clause (2) and in addition deal either -

(i) as a whole with the combined profits or losses of its subsidiaries, so far as they concern members of the other body corporate; or

(ii) individually with the profits or losses of each subsidiary, so far as they concern members of the other body corporate; or, instead of dealing separately with the other body corporate's profits or losses, deal as a whole with the profits or losses of the other body corporate and, so far as they concern members of the other body corporate, with the combined profits or losses of its subsidiaries; and

(b) so far as regards assets and liabilities, deal separately with the other body corporate's assets and liabilities as provided by sub-clause (2) and in addition, deal either -

(i) as whole with the combined assets and liabilities of subsidiary, with or without the other body corporate's assets and liabilities; or (ii) individually with the assets and liabilities of each subsidiary; and shall indicate, as respects the assets and liabilities of the subsidiaries, the allowance to be made for persons other than members of the company.

Sch. IV Part III

FORM OF STATEMENT IN LIEU OF PROSPECTUS TO BE DELIVERED TO REGISTRAR BY A PRIVATE COMPANY OR BECOMING; A PUBLIC COMPANY AND REPORTS TO BE SET OUT THEREIN

[See section 44(2)(b)]

PROVISIONS APPLYING TO PARTS I AND II OF THIS SCHEDULE.

3.

(1) In this Schedule, the expression "vendor" includes a vendor as defined in Part III of Schedule II.

(2) Clause 31 of Schedule II shall apply to the interpretation of Parts I and II of this Schedule as it applies to the interpretation of Part II of Schedule II.

4. If in the case of a business which has been carried on, or of a body corporate which has been carrying on business, for less than five financial years, the accounts of the business or body corporate have only been made up in respect of four such years, three such years, two such years or one such year, Parts I and II of this Schedule shall have effect as if reference to four financial years, three financial years, two financial years or one financial year, as the case may be, were substituted for references to five financial years.

5. Any report required by Part II of this Schedule shall either -

(a) indicate by way of note any adjustments as respects the figures of any profits or losses or assets and liabilities dealt with by the report which appear to the persons making the report necessary; or

(b) make those adjustments and indicate that adjustments have been made.

6. Any report by accountants required by Part II of this Schedule shall -

(a) be made by accountants qualified under this Act for appointment as auditors of a company; and

(b) shall not be made by any accountant who is an officer or servant or a partner or in the employment of an officer or servant, of the company, or of the company's subsidiary or holding company or of a subsidiary of the company's holding company. For the purposes of this clause, the expression "officer" shall include a proposed director but not an auditor.

Sch. V Part I

ANNUAL RETURN.

[See section 159]

ANNUAL RETURN CONTENTS AND FORM OF ANNUAL RETURN OF A COMPANY HAVING A SHARE CAPITAL.

CONTENTS.

1. The address of the registered office of the company.

2. A summary specifying the following in respect of each class of shares :

(a) the amount of the authorised share capital of the company and the number of shares into which it is divided;

(b) the number of shares issued, from the date of commencement of the company to the date of the company's last annual general meeting;

(c) the number of shares subscribed up to the date aforesaid;

(d) the paid up share capital up to that date.

3. The total number of non-convertible, partly convertible and fully convertible debentures issued and outstanding on the date referred to in sub-clause (b) of clause 2.

4. Particulars of the total amount of the indebtedness of the company on the date referred to in sub-clause (b) of clause 2 in respect of all charges including mortgages which are required to be registered with the Registrar under this Act.

5. A list -

(a) containing the names and addresses of all persons who, on the date of the company's last annual general meeting, are members or debenture holders of the company and of persons who have ceased to be members or debenture holders on or before that day and since the date of the annual general meeting with reference to which the last return was submitted or in the case of the first return, since the incorporation of the company;

(b) stating the number of shares or debentures held by each of the existing members or debenture holders, as the case may be, at the date referred to in sub-clause (b) of clause 2, specifying the number of shares or debentures transferred since the date of the annual general meeting with reference to which the last return was submitted or in the case of the first return, since the date of incorporation of the company by persons who are still members or debenture holders respectively, the dates or registration of transfers, and the names of transferees and the relevant folio containing particulars thereof;

(c) if the names aforesaid are not arranged in alphabetical order having annexed thereto in index sufficient to enable the name of any person therein to be easily found.

6. Particulars specifying name, nationality, date of birth, date of appointment, Election Commission's Identity Card No. if issued, and residential address with respect to the persons who at the date of the company's last annual general meeting are the directors of the company and with respect to any person who at the date is the manager or the secretary of the company together with all such particulars, with respect to those who had ceased to hold such office that is the office of director, manager or secretary on or before the date of the last annual general meeting and since the date of the annual general meeting with respect to which the last return was submitted or in the case of the first return, since the incorporation of the company.

7. Information whether the shares of the company are listed on a recognised stock exchange.

Schedule VI Part 1

[See section 211]

PART I FORM OF BALANCE SHEET

The balance sheet of a company shall be either in horizontal form or vertical form :

A. HORIZONTAL FORM

BALANCE SHEET OF

[Here enter the name of the company]

AS AT

[Here enter the date as at which the balance sheet is made out]

Instructions in accordance with which liabilities should be made out

LIABILITIES ASSETS

Figures for the previous year Rs. (b) Figures for the current year Rs. (b) Figures for the previous year Rs. (b) Figures for the current year Rs. (b) Instructions in accordance with which assets should be made out

*Terms of redemption or conversion (if any) of any redeemable preference capital to be stated together with earliest date of redemption or conversion

Particulars of any option on unissued share capital to be specified.

Particulars of the different classes of preference shares to be given

Specify the source from which bonus shares are issued, e.g., capitalisation of profits or Reserves or from Share Premium Account.

Any capital profit on reissue of forfeited shares should be transferred to Capital Reserve

*SHARE CAPITAL

Authorised shares

of Rs.each

Issued (distinguishing between the various classes of capital and stating the particulars specified below, in respect of each class).....shares of Rs..... each

Subscribed (distinguishing between the various classes of capital and stating the particulars specified below, in respect of each class). (c) shares of

Rs.....each

Rs.....called up.

Of the above shares shares are allotted as fully paid-up pursuant to a contract without payments being received in cash.]

Of the above shares shares are allotted as fully paid-up by way of bonus shares*

Less: Calls unpaid :

*[(i) By managing agent or secretaries and treasurers and where the managing agent or secretaries and treasurers are a firm, by the partners thereof, and where the managing agent or secretaries and treasurers are a private company, by the directors or members of that company.]

(ii) By directors.

(iii) By others.

Add : Forfeited shares (amount originally paid up.)

*FIXED ASSETS

Distinguishing as far as possible between expenditure upon (a) goodwill, (b) land, (c), buildings, (d) leaseholds, (e) railway sidings, (f) plant and machinery, (g) furniture and fittings, (h) development of property, (i) patents, trade marks and designs, (j) livestock, and (k) vehicles, etc

*Under each head the original cost, and the additions thereto and deductions therefrom during the year, and the total depreciation written off or provided up to the end of the year to be stated.

Where the original cost aforesaid and additions and deductions thereto, relate to any fixed asset which has been acquired from a country outside India, and in consequence of a change in the rate of exchange at any time after the acquisition of such asset, there has been an increase or reduction in the liability of the company, as expressed in Indian currency, for making payment towards the whole or a part of the cost of the asset or for repayment of the whole or a part of moneys borrowed by the company from any person, directly or indirectly, in any foreign currency specifically for the purpose of acquiring the assets (being in either case the liability existing immediately before the date on which the change in the rate of exchange takes effect), the amount by which the liability is so increased or reduced during the year, shall be added to, or, as the case may be, deducted from the cost, and the amount arrived at after such addition or deduction shall be taken to be the cost of the fixed asset.

Explanation 1 : This paragraph shall apply in relation to all balance-sheets that may be made out as at the 6th day of June, 1966, or any day thereafter and where, at the date of issue of the notification of the Government of India, in the Ministry of Industrial Development and Company Affairs (Department of Company Affairs) G.S.R. No. 129, dated the 3rd day of January, 1968, any balance sheet, in relation to which the paragraph applies, has already been made out and laid before the company in Annual General Meeting, the adjustment referred to in this paragraph, may be made in the first balance sheet made out after the issue of the said notification.

Explanation 2 : In this paragraph, unless the context otherwise requires, the expressions "rate of exchange ", "foreign currency", and "Indian currency", shall have the meanings respectively assigned to them under sub-section (12) of section 43A of the Income-tax Act, 1961 (43 of 1961), and Explanation 2 and Explanation 3 of the said sub-section shall, as far as may be, apply in relation to the said paragraph as they apply to the said sub-section (1),

In every case where the original cost cannot be ascertained, without unreasonable expense or delay, the valuation shown by the books shall be given. For the purposes of this paragraph, such valuation shall be the net amount, at which an asset stood in the company's books at the commencement of this Act after deduction of the amounts previously provided or written off for depreciation or diminution in value, and where any such asset is sold, the amount of sale proceeds shall be shown as deduction.

Where sums have been written off on a reduction of capital or a revaluation of assets, every balance sheet, (after the first balance sheet) subsequent to the reduction or revaluation shall show the reduced figures and with the date of the reduction in place of the original cost.

Each balance sheet for the first five years subsequent to the date of the reduction, shall show also the amount of the reduction made.

Similarly, where sums have been added by writing up the assets, every balance sheet subsequent to such writing up shall show the increased figures with the date of the increase in

place of the original cost. Each balance sheet for the first five years subsequent to the date of writing up shall also show the amount of increase made.

Explanation : Nothing contained in the preceding two paragraphs shall apply to any adjustment made in accordance with the second paragraph

*Additions and deductions since last balance sheet to be shown, under each of the specified heads.

The word "fund" in relation to any "Reserve" should be used only where such Reserve is specifically represented by earmarked investments.

Loans from Directors, *[the Managing Agents, Secretaries and Treasurers, Manager should be shown separately.

Interest accrued and due on Secured Loans should be included under the appropriate sub-heads under the head 'SECURED LOANS".]

*The nature of the security to be specified in each case.

Where loans have been guaranteed by *[managing agents, secretaries and treasurers,] managers and/or directors, a mention thereof shall also be made and also the aggregate amount of such loans under each head.

Terms of redemption or conversion (if any) of debentures issued to be stated together with earliest date of redemption or conversion.

*RESERVES AND SURPLUS :

- (1) Capital Reserves.
- (2) Capital Redemption Reserve.
- (3) Share Premium Account (cc)
- (4) Other reserves specifying the nature of each reserve and the amount in respect thereof.

Less : Debit balance in profit and loss account (if any).

(5) Surplus, i.e., balance in profit and loss account after providing for proposed allocations, namely :-

Dividend, bonus or reserves.

- (6) Proposed additions to reserves.

SECURED LOANS:

* (1) Debentures

* (2) Loans and advances from banks.

* (3) Loans and advances from subsidiaries.

(4) Other loans and advances.

INVESTMENTS :

Showing nature of investment and mode of valuation, for example cost or market value and distinguishing between -

* (1) Investments in Government or Trust Securities.

* (2) Investments in shares, debentures or bonds (showing separately shares, fully paid-up and partly paid-up and also distinguishing the different classes of shares and showing also in similar details investments in shares, debentures or bonds of subsidiary companies.

(3) Immovable properties.

(4) Investments in the capital of partnership firms

(5) Balance of unutilised monies raised by issue

CURRENT ASSETS, LOANS AND ADVANCES

(A) CURRENT ASSETS

(1) Interest accrued on Investments.

(2) Stores and spare parts.

[(3) Loose tools.

(4) Stock-in-trade.

(5) Works-in-progress

(6) Sundry debtors -

(A) Debts outstanding for a period exceeding six months.

(b) Other debts.

[Less: Provision

[(7A) Cash balance on hand.

(7B) Bank balances -

(a) with Scheduled banks; and

(b) with others.]

*Aggregate amount of company's quoted investment and also the market value thereof shall be shown.

Aggregate amount of company's unquoted investments shall also be shown.

{All unutilised monies out of the issue must be separately disclosed in the balance sheet of the company indicating the form in which such unutilised funds have been invested}

Mode of valuation of stock shall be stated and the amount in respect of raw material shall also be stated separately where practicable.

**Mode of valuation of works-in-progress shall be stated.

In regard to sundry debtors particulars to be given separately of -(a) debts considered good and in respect of which the company is fully secured; and (b) debts considered good for which the company holds no security other than the debtor's personal security; and (c) debts considered doubtful or bad. Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member to be separately stated.

[Debts due from other companies under the same management within the meaning of sub-section (1B) of section 370, to be disclosed with the names of the companies.]

The maximum amount due by directors or other officers of the company at any time during the year to be shown by way of a note.

The [provisions] to be shown under this head should not exceed the amount of debts stated to be considered doubtful or bad and any surplus of such [provision], if already created, should be shown at every closing under "Reserves and Surplus" (in the Liabilities side) under a separate sub-head "Reserve for Doubtful or Bad Debts".

[*In regard to bank balances, particulars to be given separately of-

(a) the balances lying with Scheduled Banks on current accounts, call accounts, and deposit accounts,

(b) the names of the bankers other than Scheduled Banks and the balance lying with each such banker on current accounts, call accounts and deposit accounts and the maximum amount outstanding at any time during the year from each such banker; and

(c) the nature of the interest, if any, of any director or his relative [or the managing agent/secretaries and treasurers of any associate of the latter] in each of the bankers (other than Scheduled Banks) referred to in (b) above.]

Loans from Directors, *[the Managing agents, secretaries and treasurers,] manager should be shown separately.-

Interest accrued and due on Unsecured Loans should be included under the appropriate sub-heads under the head "UNSECURED LOANS".

UNSECURED LOANS:

- (1) Fixed deposits.
- (2) Loans and advances from subsidiaries.
- (3) Short-term loans and advances:
 - (a) From Banks.
 - (b) From others
- (4) Other loans and advances:
 - (a) From Banks.
 - (b) From others.

All unutilised monies out of the issue must be separately disclosed in the balance sheet of the company indicating the form in which such unutilised funds have been invested.

The above instructions regarding "Sundry Debtors" apply to "Loans and Advances" also.

Where loans have been guaranteed by *[managing agents, secretaries and treasurers,] managers and/or directors, a mention thereof shall also be made and also the aggregate amount of such loans under each head.

*See note (d) at foot of Form.

CURRENT LIABILITIES AND PROVISIONS :

A. CURRENT LIABILITIES :

- (1) Acceptances.
- (2) Sundry creditors.
- (3) Subsidiary companies.
- (4) Advance payments and unexpired discounts for the portion for which value has still to be given e.g., in the case of the following classes of companies :-

Newspaper, Fire Insurance, theatres, clubs, banking, steamship companies, etc.

(B) LOANS AND ADVANCES

- (8) [i] Advances and loans to subsidiaries.

[II] Advances and loans to partnership firms in which the company or any of its subsidiaries is a partner.]

- (9) Bills of Exchange.

(10) Advances recoverable in cash or in kind or for value to be received, e.g., rates, taxes, insurance, etc.

(11) [Balances on current account with managing agents or secretaries and treasurers]

(12) Balances with customs, port trust, etc. (where payable on demand)

(5) Unclaimed dividends.

(6) Other liabilities (if any

(7) Interest accrued but not due on loans.

B. PROVISIONS

(8) Provision for taxation.

(9) Proposed dividends.

(10) For contingencies.

(11) For provident fund scheme.

(12) For insurance, pension and similar staff benefit schemes.

(13) Other provisions.

[A foot note to the balance-sheet may be added to show separately :-

(1) Claims against the company not acknowledged as debts.

(2) Uncalled liability on shares partly paid.]

The period for which the dividends are in arrear or if there is more than one class of shares, the dividends on each such class are in arrear, shall be stated.

The amount shall be stated before deduction of income-tax, except that in the case of tax-free dividends the amount shall be shown free of income-tax and the fact that it is so shown shall be stated.

The amount of any guarantees given by the company on behalf of directors or other officers of the company shall be stated and where practicable, the general nature and amount of each such contingent liability, if material, shall also be specified.

(3) Arrears of fixed cumulative dividends.

(4) Estimated amount of contracts remaining to be executed on capital account and not provided for.

(5) Other money for which the company is contingently liable.

MISCELLANEOUS EXPENDITURE : (to the extent not written off [or adjusted]):

- (1) Preliminary expenses.
- (2) Expenses including commission on brokerage on underwriting or subscription of shares or debentures.
- (3) Discount allowed on the issue of shares or debentures.
- (4) Interest paid out of capital during construction (also stating the rate of interest).
- (5) Development expenditure not adjusted.
- (6) Other items (specifying nature),

PROFIT AND LOSS ACCOUNT

Show here the debit balance of profit and loss account carried forward after deduction of the uncommitted reserves, if any.

NOTES

General instructions for preparation of balance sheet

(a) The information required to be given under any of the items or sub-items in this Form, if it cannot be conveniently included in the balance sheet itself, shall be furnished in a separate Schedule or Schedules to be annexed to and to form part of the balance sheet. This is recommended when items are numerous.

(b) Naye Paise can also be given in addition to Rupees, if desired.

(c) In the case of [subsidiary companies] the number of shares held by the holding company as well as by the ultimate holding company and its subsidiaries must be separately stated.

The auditor is not required to certify the correctness of such shareholdings as certified by the management.

(cc) The item "Share Premium Account" shall include details of its utilisation in the manner provided in section 78 in the year of utilisation. color=#ff0000 face=Tahoma size=2>]

(d) Short-term loans will include those which are due for not more than one year as at the date of the balance sheet.

(e) Depreciation written off or provided shall be allocated under the different asset heads and deducted in arriving at the value of fixed assets.

f) Dividends declared by subsidiary companies after the date of the balance sheet "[should] not be included unless they are in respect of period which closed on or before the date of the balance sheet.

(g) Any reference to benefits expected from contracts to the extent not executed shall not be made in the balance sheet but shall be made in the Board's report.

(h) The debit balance in the Profit and Loss Account shall be shown as a deduction from the uncommitted reserves, if any.

(i) As regards Loans and Advances, '[amounts due by the Managing Agents or Secretaries and Treasurers, either severally or jointly with any other persons to be separately stated;]' '[the amounts due from other companies under the same management within the meaning of sub-section (1B) of section 370 should also be given with the names of the companies] the maximum amount due from every one of these at any time during the year must be shown.

(j) Particulars of any redeemed debentures which the company has power to issue should be given.

(k) Where any of the company's debentures are held by a nominee or a trustee for the company, the nominal amount of the debentures and the amount at which they are stated in the books of the company shall be stated.

(l) A statement of investments (whether shown under "Investment" or under "Current Assets" as stock-in-trade) separately classifying trade investments and other investments should be annexed to the balance sheet, showing the names of the bodies corporate (indicating separately the names of the bodies corporate under the same management) in whose shares or debentures, investments have been made (including all investments, whether existing or not, made subsequent to the date as at which the previous balance sheet was made out) and the nature and extent of the investment so made in each such body corporate; provided that in the case of an investment company, that is to say, a company whose principal business is the acquisition of shares, stock, debentures or other securities, it shall be sufficient if the statement shows only the investments existing on the date as at which the balance sheet has been made out. In regard to the investments in the capital of partnership firms, the names of the firms (with the names of all their partners, total capital and the shares of each partner), shall be given in the statement.]

(m) If, in the opinion of the Board, any of the current assets, loans and advances have not value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

(n) Except in the case of the first balance sheet laid before the company after the commencement of the Act, the corresponding amounts for the immediately preceding financial year for all items shown in the balance sheet shall be also given in the balance sheet. The requirement in this behalf shall, in the case of companies preparing quarterly or half-yearly accounts, etc., relate to the balance sheet for the corresponding date in the previous year.

(o) The amounts to be shown under Sundry Debtors shall include the amounts due in respect of goods sold or services rendered or in respect of other contractual obligations but shall not include the amounts which are in the nature of loans or advances.

[(p) Current accounts with directors *[, managing agents, secretaries and treasurers] and manager, whether they are in credit, or debit, shall be shown separately.]

[B. VERTICAL FORM

Name of Company

Balance Sheet as at

Schedule No.

Figures as at the end of current financial year Figures as at the end of previous financial year

1 2 3 4 5

I. Sources of Funds

(1) Shareholders' funds :

(a) Capital

(b) Reserves and surplus

(2) Loan funds

(a) Secured loans

(b) Unsecured loans

TOTAL

II. Application of funds

(1) Fixed assets :

(a) Gross; block

(b) Less : Depreciation

(c) Net block

(d) Capital work-in-progress

(2) Investments

(3) Current assets, loans and

advances :

(a) Inventories

(b) Sundry debtors

(c) Cash and bank balances

(d) Other current assets

(e) Loans and advances

Less :

Current liabilities and provisions:

(a) Liabilities

(b) Provisions

(4) (a) Miscellaneous expenditure to

the extent not written off or

adjusted

(b) Profit and loss account

TOTAL

Notes :

1. Details under each of the above items shall be given in separate Schedules. The Schedules shall incorporate all the information required to be given under A-Horizontal Form read with notes containing general instructions for preparation of balance sheet.

2. The Schedules, referred to above, accounting policies and explanatory notes that may be attached shall form an integral part of the balance sheet.

3. The figures in the balance sheet may be rounded off to the nearest '000' or '00' as may be convenient or may be expressed in terms of decimals of thousands.

4. A footnote to the balance sheet may be added to show separately contingent liabilities.]

Schedule 6 PART II REQUIREMENTS AS TO PROFIT AND LOSS ACCOUNT

1. The provisions of this Part shall apply to the income and expenditure account referred to in sub-section (2) of section 210 of the Act, in like manner as they apply to a profit and loss account, but subject to the modification of references as specified in that sub-section.

2. The profit and loss account—

(a) shall be so made out as clearly to disclose the result of the working of the company during the period covered by the account; and

(b) shall disclose every material feature, including credits or receipts and debits or expenses in respect of non-recurring transactions or transactions of an exceptional nature.

3. The profit and loss account shall set out the various items relating to the income and expenditure of the company arranged under the most convenient heads; and in particular, shall disclose the following information in respect of the period covered by the account:

(i)(a) The turnover, that is, the aggregate amount for which sales are effected by the company, giving the amount of sales in respect of each class of goods dealt with by the company, and indicating the quantities of such sales for each class separately

[(b) Commission paid to sole selling agents within the meaning of section 294 of the Act.

(c) Commission paid to other selling agents.

(d) Brokerage and discount on sales, other than the usual trade discount]

[(ii) (a) In the case of manufacturing companies

(1)The value of the raw materials consumed, giving item-wise break-up and indicating the quantities thereof. In this break-up, as far as possible, all important basic raw materials shall be shown as separate items. The intermediates or components procured from other manufacturers may, if their list is too large to be included in the break-up, be grouped under suitable headings without mentioning the quantities, provided all those items which in value individually account for 10% or more of the total value of the raw material consumed shall be shown as separate and distinct items with quantities thereof in the break-up.

(2) The opening and closing stocks of goods produced, giving break-up in respect of each class of goods and indicating the quantities thereof.

(b) In the case of trading companies, the purchases made and the opening and closing stocks, giving break-up in respect of each class of goods traded in by the company and indicating the quantities thereof.

(c) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied.

(d) In the case of a company, which falls under more than one of the categories mentioned in (a), (b) and (c) above, it shall be sufficient compliance with the requirements herein if the total amounts are shown in respect of the opening and closing stocks, purchases, sales and consumption of raw material with value and quantitative break-up and the gross income from services rendered is shown.

(e) In the case of other companies, the gross income derived under different heads.

(iii) In the case of all concerns having works-in-progress, the amounts for which [such works have been completed] at the commencement and at the end of the accounting period.

(iv) The amount provided for depreciation, renewals or diminution in value of fixed assets. If such provision is not made by means of a depreciation charge, the method adopted for making such provision. If no provision is made for depreciation, the fact that no provision has been made shall be stated [and the quantum of arrears of depreciation computed in accordance with [section 205\(2\)](#) of the Act shall be disclosed by way of a note].

(v) The amount of interest on the company's debentures and other fixed loans, that is to say, loans for fixed periods, stating separately the amount of interest, if any, [paid or payable] to the managing director *[, the managing agent, the secretaries and treasurers] and the manager, if any.

(vi) The amount of charge for Indian income-tax and other Indian taxation on profits, including, where practicable, with Indian income-tax any taxation imposed elsewhere to the extent of the relief, if any, from Indian income-tax and distinguishing, where practicable, between income-tax and other taxation.

(vii) The [amounts reserved for]

(a) repayment of share capital; and

(b) repayment of loans.

(viii) (a) The aggregate, if material, of any amounts set aside or proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as at which the balance sheet is made up.

(b) The aggregate, if material, of any amounts withdrawn from such reserves.

(ix) (a) The aggregate, if material, of the amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.

(c) The aggregate, if material, of the amounts withdrawn from such provisions, as no longer required.

(x) Expenditure incurred on each of the following items, separately for each item:

(a) Consumption of stores and spare parts.

(b) Power and fuel

(c) Rent.

(d) Repairs to buildings.

(e) Repairs to machinery

(1) Salaries, wages and bonus.

(2) Contribution to provident and other funds.

(3) Workmen and staff welfare expenses [to the extent not adjusted from any previous provision or reserve.

(g) Insurance.

(i) Miscellaneous expenses:

[Provided that any item under which the expenses exceed 1 per cent of the total revenue of the company or Rs. 5,000, whichever is higher, shall be shown as a separate and distinct item against an appropriate account head in the Profit and Loss Account and shall not be combined with any other item to be shown under 'Miscellaneous expenses'.]

(xi) (a) The amount of income from investments, distinguishing between trade investments and other investments.

(b) Other income by way of interest, specifying the nature of the income.

(c) The amount of income-tax deducted if the gross income is stated under subparagraphs (a) and (b) above.

(xii) (a) Profits or losses on investments [showing distinctly the extent of the profits or losses earned or incurred on account of membership of a partnership firm] [to the extent not adjusted from any previous provision or reserve.

(d) Profits or losses in respect of transactions of a kind, not usually undertaken by the company or undertaken in circumstances of an exceptional or non-recurring nature, if material in amount.

(e) Miscellaneous income

(xiii) (a) Dividends from subsidiary companies.

(f) Provisions for losses of subsidiary companies.

(xiv) The aggregate amount of the dividends paid, and proposed, and stating whether such amounts are subject to deduction of income-tax or not.

(xv) Amount, if material, by which any items shown in the profit and loss account are affected by any change in the basis of accounting.

[The profit and loss account shall also contain or give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors (including managing directors) *[the managing agents, secretaries and treasurers] or manager, if any, by the company, the subsidiaries of the company and any other person:

(i)[managerial remuneration under [section 198](#) of the Act paid or payable] during the financial year to the directors (including managing directors), *[the managing agent, secretaries and treasurers] or manager, if any;

*[(ii) expenses reimbursed to the managing agent under [section 354](#);

(iii)commission or other remuneration payable separately to a managing agent or his associate under [sections 356, 357 and 358](#);

(iv) commission received or receivable under [section 359](#) of the Act by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company;] color=#ff0000 face=Tahoma size=2>

(v) the money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate under [section 360](#) during the financial year;]

[(vi) other allowances and commission including guarantee commission (details to be given);]

(vii) any other perquisites or benefits in cash or in kind (stating approximate money value where practicable);

(viii) pensions, etc.,—

(a) pensions,

(b) gratuities,

(c) payments from provident funds, in excess of own subscriptions and interest thereon,

(d) compensation for loss of office,

(e) consideration in connection with retirement from office.]

4A. The profit and loss account shall contain or give by way of a note a statement showing the computation of net profits in accordance with [section 349](#) of the Act with relevant details of the calculation of the commissions payable by way of percentage of such profits to the directors (including managing directors), *[the managing agents, secretaries and treasurers] or manager (if any).

4B. The profit and loss account shall further contain or give by way of a note detailed information in regard to amounts paid to the auditor, [whether as fees, expenses or otherwise for services rendered]

(a) as auditor; [* * *]

[(b) as adviser, or in any other capacity, in respect of

(i) taxation matters;

(ii) company law matters;

(iii) management services; and

(c) in any other manner].

4C. In the case of manufacturing companies, the profit and loss account shall also contain, by way of a note in respect of each class of goods manufactured, detailed quantitative information in regard to the following, namely :

(a) the licensed capacity (where licence is in force);

(b) the installed capacity; and

(c) the actual production.

4D. The profit and loss account shall also contain by way of a note the following information, namely:—

(a) value of imports calculated on C.I.F. basis by the company during the financial year in respect of:—

- (i) raw materials;
 - (ii) components and spare parts;
 - (iii) capital goods;
- (b) expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;
- (c) value of all imported raw materials, spare parts and components consumed during the financial year and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;
- (d) the amount remitted during the year in foreign currencies on account of dividends, with a specific mention of the number of non-resident shareholders, the number of shares held by them on which the dividends were due and the year to which the dividends related;
- (e) earnings in foreign exchange classified under the following heads, namely:—
- (i) export of goods calculated on F.O.B. basis;
 - (ii) royalty, know-how, professional and consultation fees;
 - iii) interest and dividend;
 - (iv) other income, indicating the nature thereof.]

5. The Central Government may direct that a company shall not be obliged to show the amount set aside to provisions other than those relating to depreciation, renewal or diminution in value of assets, if the Central Government is satisfied that the information should not be disclosed in the public interest and would prejudice the company, but subject to the condition that in any heading stating an amount arrived at after taking into account the amount set aside as such, the provision shall be so framed or marked as to indicate that fact.

6. (1) Except in the case of the first profit and loss account laid before the company after the commencement of the Act, the corresponding amounts for the immediately preceding financial year for all items shown in the profit and loss account shall also be given in the profit and loss account.

(2) The requirement in sub-clause (1) shall, in the case of companies preparing quarterly or half-yearly accounts, relate to the profit and loss account for the period which entered on the corresponding date of the previous year.

Schedule 6 PART III INTERPRETATION

7.

(1) For the purposes of Parts I and II of this Schedule, unless the context otherwise requires,—

(a) the expression "provision" shall, subject to sub-clause (2) of this clause, mean any amount written off or retained by way of providing for depreciation renewals or diminution in value of

assets, or retained by way of providing for any known liability of which the amount cannot be determined with substantial accuracy;

(b) the expression "reserve" shall not, subject as aforesaid, include any amount written off or retained by way of providing for depreciation, renewals or diminution in value of assets or retained by way of providing for any known liability;

(c) the expression "capital reserve" shall not include any amount regarded as free for distribution through the profit and loss account; and the expression "revenue reserve" shall mean any reserve other than a capital reserve;

(2) Where—

(a) any amount written off or retained by way of providing for depreciation, renewals or diminution in value of assets, not being an amount written off in relation to fixed assets before the commencement of this Act; or

(b) any amount retained by way of providing for any known liability;

is in excess of the amount which in the opinion of the directors is reasonably necessary for the purpose, the excess shall be treated for the purposes of this Schedule as a reserve and not as a provision.

8. For the purposes aforesaid, the expression "quoted investment" means an investment as respects which there has been granted a quotation or permission to deal on a recognised stock exchange, and the expression "unquoted investment" shall be construed accordingly.

Schedule 6 Part IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

ANNEXURE LI

CODE LIST: STATE CODES

State Code	State Name	State Code	State Name
01	Andhra Pradesh	02	Assam
03	Bihar	04	Gujarat
05	Haryana	06	Himachal Pradesh
07	Jammu & Kashmir	08	Karnataka
09	Kerala	10	Madhya Pradesh
11	Maharashtra	12	Manipur
13	Meghalaya	14	Nagaland
15	Orissa	16	Punjab
17	Rajasthan	18	Tamil Nadu
20	Uttar Pradesh	21	West Bengal
22	Sikkim	23	Arunachal Pradesh
24	Goa	52	Andaman Islands
53	Chandigarh	54	Dadra Islands
55	Delhi	56	Daman & Diu
57	Lakshadweep	58	Mizoram

Sch. IX

FORM OF PROXY

[See Article 62 of the Table A and also section 176(6)]

GENERAL FORM

"..... Name of Company

I/We of in the district of, a member/members of the above-named Company hereby appoint of in the district of or failing him of in the district of as ---- my/our proxy to vote for ---- me/us on my/our annual general meeting/general meeting (not being an annual general meeting) of the company to be held on the day of and at any adjournment thereof.

Signed this day of 19....."

II FORM FOR AFFORDING MEMBERS AN OPPORTUNITY OF VOTING FOR OR AGAINST A RESOLUTION *

"..... Name of Company

I/We of in the district of, being, a member/members of the above-named Company, hereby appoint of in the district of or failing him of in the district of, as my/our proxy to vote for me/us on my/our behalf at the annual general meeting/general meeting (not being an annual general meeting) of the company, to be held on the day of 19..... and at any adjournment thereof.

Signed this day of 19....."

*This form is to be used +in favour of/+against the resolution. Unless otherwise instructed the proxy will Act as he thinks fit.

+ Strike out whichever is not desired.

Schedule X

[See sections 574 and 611]

TABLE OF FEES TO BE PAID TO THE REGISTRAR

I. In respect of a company having a share capital:	Amount of fees to be paid (Rs.)
1. For registration of a company whose nominal share capital does not exceed Rs. 20,000.	400
2. For registration of a company whose nominal share capital exceeds Rs. 20,000, the above fee of Rs. 400 with the following additional fees regulated according to the	200

amount of nominal capital:—	100
(a) for every Rs. 10,000 of nominal share capital or part of Rs. 10,000 after the first Rs. 20,000 up to Rs. 50,000	60
(b) for every Rs. 10,000 of nominal share capital or part of Rs. 10,000 after the first Rs. 50,000 up to Rs. 5,00,000	40
(c) for every Rs. 10,000 of nominal share capital or part of Rs. 10,000 after the first Rs. 5,00,000 up to Rs. 10,00,000	30
(d) for every Rs. 10,000 of nominal share capital or part of Rs. 10,000 after the first Rs. 10,00,000 up to Rs. 25,00,000 or more	30
(e) for every Rs. 10,000 of nominal share capital or part of Rs. 10,000 after the first Rs. 25,00,000:	30
Provided that where the additional fees, regulated according to the amount of the nominal capital of a company, exceeds a sum of rupees eighty lakhs, the total amount of additional fees payable for the registration of such company shall not, in any case, exceed rupees eighty lakhs.	
3. For filing a notice of any increase in the nominal share capital of a company, the difference between the fees payable on the date of filing the notice for the registration of a company with a nominal share capital equal to [the increased share capital and the fees paid on such date], for the registration of a company with a share capital equal to the nominal share capital of the company filing the notice immediately before the increase.	60
4. For registration of any existing company, except such companies as are by this Act exempted from payment of fees in respect of registration under this Act, the same fee is charged for registering a new company.	100
5. For filing, registering or recording any document by this Act required or authorised to be filed, registered or recorded—	120
(a) in respect of a company having a nominal share capital of less than Rs. 1,00,000	30
(b) in respect of a company having a nominal share capital of Rs. 1,00,000, or more but less than Rs. 5,00,000	60
(c) in respect of a company having a nominal share capital of Rs. 5,00,000. or more but less than Rs. 25,00,000	100
(d) in respect of a company having a nominal share capital of Rs. 25,00,000 or more.	
6. For making a record of or registering any fact by this Act required or authorised to be recorded or registered by the	

Registrar	
(a) in respect of a company having a nominal share capital of less than Rs. 1,00,000	120
(b) in respect of a company having a nominal share capital of Rs. 1,00,000, or more but less than Rs. 5,00,000	160
(c) in respect of a company having a nominal share capital of Rs. 5,00,000, or more but less than Rs. 25,00,000	400
(d) in respect of a company having a nominal share capital of Rs. 25,00,000 or more.	1,600
II. In respect of a company not having a share capital:	
7. For registration of a company whose number of members as stated in the articles of association, does not exceed 20.	20
8. For registration of a company whose number of members as stated in the articles of association, exceeds 20 but does not exceed 100.	20
9. For registration of a company whose number of members as stated in the articles of association, exceeds 100 but is not stated to be unlimited, the above fee of Rs. 400 with an additional Rs. 10 for every 50 members, or less number than 50 members, after the first 100.	
10. For registration of a company in which the number of members is stated in the articles of association to be unlimited.	
11. For registration of any increase in the number of members made after the registration of the company, the same fee as would have been payable in respect of such increase, if such increase had been stated in the articles of association at the time of registration: Provided that no company shall be liable to pay on the whole a greater fee than Rs. 1,600 in respect of its number of members, taking into account the fee paid on the first registration of the company.	
12. For registration of any existing company except such companies as are by this Act exempted from payment of fees in respect of registration under this Act, the same fee as is charged for registering a new company.	
13. For filing or registering any document by this Act required or authorised to be filed or registered with the Registrar.	
14. For making a record of or registering any fact by this Act required or authorised to be recorded or registered by the Registrar.	

Sch. XI

FORM IN WHICH SECTIONS 539 TO 544 OF ACT ARE TO APPLY TO CASES WHERE AN

APPLICATION IS MADE UNDER SECTION 397 OR 398
[See section 406]

539. Penalty for falsification of books. - If with intent to defraud or deceive any person, any officer or member of a company in respect of which an application has been made under section 397 or 398 -

(a) destroys, mutilates, alters, falsifies or secretes any books, papers or securities, or is privy to the destruction, mutilation, alteration, falsification, or secreting of any books, papers or securities; or

(b) makes, or is privy to the making of, any false or fraudulent entry in any register, books of account or document belonging to the company, he shall be punishable with imprisonment for a term which may extend to seven years, and shall also be liable to fine.

540. Penalty for frauds by officers. - If any person, being at the time of the commission of the alleged offence, an officer of a company in respect of which the Company Law Board subsequently makes an order under section 397 or 398, -

(a) has, by false pretences or by means of any other fraud, induced any person to give credit to the company;

(b) with intent to defraud creditors of the company, has made or caused to be made any gift or transfer of or charge on, or has caused or connived at the levying of any execution against the property of the company; or

(c) with intent to defraud creditors of the company, has concealed or removed any part of the property of the company since the date of any unsatisfied judgment or order for payment of money obtained against the company, or within two months before that date; he shall be punishable with imprisonment for a term which may extend to two years and shall also be liable to fine.

541. Liability where proper accounts not kept. -

(1) Where an application has been made to the Company Law Board under section 397 or 398 in respect of a company, if it is shown that proper books of account were not kept by the company through out the period of two years immediately preceding the making of the application, or the period between the incorporation of the company and the making of the application, whichever is shorter, every officer of the company who is in default shall, unless he shows that he acted honestly and that in the circumstances in which the business of the company was carried on, the default was excusable, be punishable with imprisonment for a term which may extend to one year.

(2) For the purposes of this section, proper books of accounts shall be deemed not to have been kept in the case of any company, if there have not been kept -

(a) such books of accounts as are necessary to exhibit and explain the transactions and financial position of the business of the company, including books containing entries made from day to day in sufficient detail of all cash received and all cash paid; and

(b) where the business of the company has involved dealings in goods, statement of the annual stocktakings and (except in the case of goods sold by way of ordinary retail trade) of all goods

sold and purchased showing the goods and the buyers and sellers thereof in sufficient detail to enable those goods and those buyers and sellers to be identified.

542. Liability for fraudulent conduct of business. -

(1) If in the course of the proceedings on an application made to the Company Law Board under section 397 or 398 in respect of a company, it appears that any business of the company has been carried on with intent to defraud creditors of the company, or any other persons, or for any fraudulent purpose, the Company Law Board may, if it thinks it proper so to do, declare that any persons who were knowingly parties to the carrying on of the business in the manner aforesaid shall be personally responsible, without any limitation of liability, for all or any of the debts or other liabilities of the company as the Company Law Board may direct.

(2)

(a) Where the Company Law Board makes any such declaration, it may give such further directions as it thinks proper for the purpose of giving effect to that declaration.

(b) In particular, the Company Law Board may make provision for making the liability of any such person under the declaration a charge on any debt or obligation due from the company to him, or on any mortgage or charge or any interest in any mortgage or charge on any assets of the company held by or vested in him, or any person on his behalf, or any person claiming as assignee from or through the person liable or any person acting on his behalf.

(c) The Company Law Board may, from time to time, make such further order as may be necessary for the purpose of enforcing any charge imposed under this sub-section.

(d) For the purpose of this sub-section, the expression "assignee" includes any person to whom or in whose favour, by the directions of the person liable, the debt, obligation, mortgage or charge was created, issued or transferred or the interest was created, but does not include an assignee for valuable consideration (not including consideration by way of marriage) given in good faith and without notice of any of the matters on the ground of which the declaration is made.

(3) Where any business of a company is carried on with such intent or for such purpose as is mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the manner aforesaid, shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to five thousand rupees, or with both.

(4) This section shall apply, notwithstanding that the person concerned may be criminally liable in respect of the matters on the ground of which the declaration is to be made.

543. Power of Company Law Board to assess damages against delinquent directors, etc. -

(1) If, in the course of the proceedings on an application made to the Company Law Board under section 397 or 398, it appears that any person who has taken part in the promotion or formation of the company, or any past or present director, managing agent, secretaries and treasurers, manager or officer of the company -

(a) has misapplied or retained or become liable or accountable for any money or property of the company; or

(b) has been guilty of any misfeasance or breach of trust in relation to the company; the Company Law Board may, on the application of any creditor or member, examine into the conduct of such

person, director, managing agent, secretaries and treasurers, manager or officer aforesaid, and compel him to repay or restore the money or property or any part thereof respectively, with interest at such rate as the Company Law Board thinks just or to contribute such sum to the assets of the company by way of compensation in respect of the misapplication, retainer, misfeasance or breach of trust as the Company Law Board thinks just.

(2) This section shall apply notwithstanding that the matter is one for which the person concerned may be criminally liable.

544. Liability under sections 542 and 543 to extent to partners or directors in firm or company. - Where a declaration under section 542 or an order under section 543 is or may be made in respect of a firm or body corporate, the Company Law Board shall also have power to make a declaration under section 542 or pass an order under section 543, as the case may be, in respect of any person who is a partner in that firm or a director of that body corporate.

Sch. XII
ENACTMENTS REPEALED
[See section 644]

ENACTMENTS REPEALED

Year	No.	Subject or short title
1913	VII	The Indian Companies Act, 1913.
1942	LIV	The Registration of Transferred Companies Ordinance.
1951	LII	The Indian Companies (Amendment) Act, 1951.
1952	LI	The Indian Companies (Amendment) Act, 1952.

Sch. XIII Part I
[See sections 198, 269, 310 and 311]

CONDITIONS TO BE FULFILLED FOR THE APPOINTMENT OF A MANAGING OR WHOLE-TIME DIRECTOR OR A MANAGER WITHOUT THE APPROVAL OF THE CENTRAL GOVERNMENT

APPOINTMENTS

No person shall be eligible for appointment as a managing or whole-time director or a manager (hereinafter referred to as managerial person) of a company unless he satisfies the following conditions, namely :-

(a) he had not been sentenced to imprisonment for any period, or to a fine exceeding one thousand rupees, for the conviction of an offence under any of the following Acts, namely :-

(i) the Indian Stamp Act, 1899 (2 of 1899).

(ii) the Central Excise and Salt Act, 1944 (1 of 1944).

(iii) the Industries (Development and Regulation) Act, 1951 (65 of 1951).

- (iv) the Prevention of Food Adulteration Act, 1954 (37 of 1954).
- (v) the Essential Commodities Act, 1955 (10 of 1955).
- (vi) the Companies Act, 1956 (1 of 1956).
- (vii) the Securities Contracts (Regulation) Act, 1956 (42 of 1956).
- (viii) the Wealth-tax Act 1957 (27 of 1957).
- (ix) the Income-tax Act 1961 (43 of 1961).
- (x) the Customs Act, 1962 (52 of 1962).
- (xi) the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).
- (xii) the Foreign Exchange Regulation Act, 1973 (46 of 1973).
- (xiii) the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986).
- (xiv) the Securities and Exchange Board of India Act, 1992, (15 of 1992).
- (xv) the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992);

(b) he had not been detained for any period under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974) : Provided that where the Central Government has given its approval to the appointment of a person convicted or detained under sub-paragraph (a) or sub-paragraph (b), as the case may be, no further approval of the Central Government shall be necessary for the subsequent appointment of that person if he had not been so convicted or detained subsequent to such approval :

(c) he has completed the age of 25 years and has not attained the age of 70 years : Provided that where -

(i) he has not completed the age of 25 years, but has attained the age of majority; or

(ii) he has attained the age of 70 years; and where his appointment is approved by a special resolution passed by the company in general meeting, no further approval of the Central Government shall be necessary for such appointment;

(d) where he is a managerial person in more than one company he draws remuneration from one or more companies subject to the ceiling provided in Section III of Part II;

(e) he is resident in India.

Explanation : For the purpose of this Schedule, resident in India includes a person who has been staying in India for a continuous period of not less than twelve months immediately preceding the date of his appointment as a managerial person and who has come to stay in India, -

(i) for taking up employment in India, or

(ii) for carrying on a business or vacation in India.

Sch. XIII Part II

[See sections 198, 269, 310 and 311]

CONDITIONS TO BE FULFILLED FOR THE APPOINTMENT OF A MANAGING OR WHOLE-TIME DIRECTOR OR A MANAGER WITHOUT THE APPROVAL OF THE CENTRAL GOVERNMENT

REMUNERATION

Section I. - Remuneration payable by companies having profits Subject to the provisions of section 198 and 309, a company having profits in a financial year may pay any remuneration, by way of salary, dearness allowance, perquisites, commission and other allowances, which shall not exceed five per cent of its net profits for one such managerial person, and if there is more than one such managerial person, ten per cent for all of them together.

Section II. - Remuneration payable by companies having no profits or inadequate profits

1. Notwithstanding anything contained in this Part, where in any financial year during the currency of tenure of the managerial person, a company has no profits or its profits are inadequate, it may pay remuneration to a managerial person, by way of salary, dearness allowance, perquisites and any other allowance, not exceeding ceiling limit of Rs. 10,50,000 per annum or Rs. 87,500 per month calculated on the following scale :-

Where the effective capital of company is	Monthly remuneration payable shall not exceed
(i) less than rupees 1 crore	rupees 40,000
(ii) rupees 1 crore or more but less than rupees 5 crores	rupees 57,000
(iii) rupees 5 crores or more but less than rupees 15 crores	rupees 72,000
(iv) rupees 15 crores or more	rupees 87,500

2. A managerial person shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified in paragraph 1 of this section :

(a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

(b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and

(c) encashment of leave at the end of the tenure.

3. In addition to the perquisites specified in paragraph 2 of this Section, an expatriate managerial person (including a non-resident India) shall be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified in paragraph 1 of this section :

(a) Children's education allowance : In case of children studying in or outside India, an allowance limited to a maximum of Rs. 5,000 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children.

(b) Holiday passage for children studying outside India/family staying abroad : Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad to India if they are not residing in India with the managerial person.

(c) Leave travel concession : Return passage for self and family in accordance with the rules specified by the company where it is proposed that the leave be spent in home country instead of anywhere in India.

Explanation I :

For the purposes of section II of this Part, "effective capital" means the aggregate of the paid-up share capital (excluding share application money or advances against shares); amount, if any, for the time being standing to the credit of share premium account; reserves and surplus (excluding revaluation reserves); long-term loans and deposits repayable after one year (excluding working capital loans, overdrafts, interest due on loans unless funded, bank guarantee, etc., and other short-term arrangements) as reduced by the aggregate of any investments (except in the case investment by an investment company whose principal business is acquisition of shares, stock debentures or other securities), accumulated losses and preliminary expenses not written off.

Explanation II :

(a) Where the appointment of the managerial person is made in the year in which company has been incorporated, the effective capital shall be calculated as on the date of such appointment;

(b) In any other case, the effective capital shall be calculated as on the last date of the financial year preceding the financial year in which the appointment of the managerial person is made.

Explanation III :

For the purposes of Section II of this part, family means the spouse, dependent children and dependent parents of the managerial person.

Section III - Remuneration payable to a managerial person in two companies Subject to the provisions of Section I and II, a managerial person shall draw remuneration from one or both companies, provided that the total remuneration drawn from the companies does not exceed the higher maximum limit admissible from any one of the companies of which he is a managerial person.

Schedule XIV

[See sections 205 and 350]

RATES OF DEPRECIATION

Nature of assets

Single Shift

WDV SLM Double Shift

WDV SLM Triple Shift

WDV SLM

1 2 3 4 5 6 7

I.(a)

BUILDINGS (other than factory buildings) [NESD]

5% 1.63%

(b) FACTORY BUILDINGS 10% 3.34%

(c) PURELY TEMPORARY ERECTIONS such as wooden structures 100% 100%

II.

PLANT AND MACHINERY

General rate applicable to,-

(a) Plant and machinery (not being a ship) other than continuous process plant for which no special rate has been prescribed under (ii) below: 13.91% 4.75% 20.87% 7.42% 27.82% 10.34%

(b) continuous process plant, [***] for which no-special rate has been prescribed under (ii) below [NESD](15.33% 5.28%

(ii) Special rates

A.1. Cinematograph films - Machinery used in the production and exhibition of cinematograph films [NESD]

(a)

(b)

Recording equipment, reproducing equipment, developing machines, printing machines, editing machines, synchronisers and studio lights except bulbs

Projecting equipment of film exhibiting concerns

20%

7.07%

.....

.....

.....

.....

2. Cycles [NSED]

[3. Electrical machinery, X-ray and electrotherapeutic apparatus and accessories thereto, medical, diagnostic equipments, namely, cat-scan, ultrasound machines, ECG monitors, etc. [NSED] 20% 7.07%

4. Juice boiling pans (karhais) [NSED] 20% 7.07%

5 Motor-cars, motor-cycles, scooters and other mopeds [NSED] 25.89% 9.5%

6. Electrically operated vehicles including battery powered or fuel cell powered vehicles [NSED] 20% 7.07%

7. Sugarcane crushers (indigenous kolhus and belans)[NSED] 20% 7.07%

8. Glass manufacturing concerns except direct fire glass melting furnaces - Recuperative and regenerative glass melting furnaces 20% 7.07% 30% 11.31%

40%

16.21%

9. Machinery used in the manufacture of electronic goods and components 15.62% 5.38% 23.42% 8.46% 31.23% 11.87%]

B. 1. [Aeroplanes, aero engines, simulators, visual system and quick engine change equipment [NSED] 16.2% 5.6%]

2. Concrete pipes manufacture-Moulds [NSED]

3. Drum container manufacture-dies [NSED]

4 Earth-moving machinery employed in heavy construction works, such as dams, tunnels, canals, etc. [NSED]

5. Glass manufacturing concerns except direct fire glass melting furnaces-moulds [NSED]

6. Moulds in iron foundries [NSED}

7. Mineral oil concerns-Field operations (above ground)-Portable boilers, drilling tools, well-head tanks, rigs, etc. [NSED] 30% 11.31%

8. Mines and quarries-Portable underground machinery and earth-moving machinery used in open case mining [NSED]

9. Motor buses and motor lorries other than those used in a business of running them in hire [NSED]

9A. Motor tractors, harvesting combines [NSED]

10. Patterns, dies and templates [NESD]

11. Ropeway structures-Ropeways, ropes and trestlesheaves and connected parts [NESD]

12. Shoe and other leather goods factories-Wooden lasts used in the manufacture of shoes 30%
11.31% 45% 18.96% 60% 29.05%

C. 1. [***]

2. Motor buses, motor lorries and motor taxis used in a business of running them on hire
[NESD]

3. Rubber and plastic goods factories-Moulds [NESD] 40% 16.21%

4. Data processing machines including computers [NESD]

5 Gascylinders including valves and regulators [NESD]

D. 1 Artificial silk manufacturing machinery wooden parts

2. Cinematograph films-Bulbs of studio lights 100% 100%

3. Flour mills-Rollers

4. Glass manufacturing concerns-Direct fire glass melting furnaces

[4A. Float Glass Melting Furnaces (NESD) 27% 10%]

5. Iron and Steel industries-Rolling mill rolls

6. Match factories-Wooden match frames

7. Mineral oil concerns-(a) Plant used in field operations (below grounds)-Distribution -
returnable packages; (b) Plant used in field operations (below grounds but not including assets
used in field operations (distribution) - Kerbside pumps including underground tanks and fittings.
100% 100%

8. Mines and quarries-

(a) Tubs, winding, ropes, haulage ropes and sand stowing pipes

(b) Safety lamps

9. Salt works-Salt pans, reservoirs and condensers, etc., made of earthy, sandy or clay
material or any other similar material

10. Sugarworks - Rollers

III. FURNITURE AND FITTINGS

[1. General Rate [NESD] 18.1% 6.33%

2. Rate for furniture and fittings used in hotels, restaurants and boarding houses, schools, colleges and other educational institutions, libraries; welfare centres; meeting halls, cinema houses; theatres and circuses; and for furniture and fittings let out on hire for use on the occasion of marriages and similar functions [NESD] 25.88% 9.5%]

IV. SHIPS

1. Ocean-going ships-

(i) Fishing vessels with wooden hull [NESD] 27.05% 10%

(ii) Dredgers, tugs, barges, survey launches and other similar ships used mainly for dredging purposes [NESD] 19.8% 7%

(iii) Other ships [NESD] 14.6% 5%

2. Vessels ordinarily operating on inland waters-

(i) Speed boats [NESD] 20% 7.07%

(ii) Other vessels [NESD] 10% 3.34%

WDV means written down value.

SLM means straight line method.

NOTES

1. "Buildings" include roads, bridges, culverts, wells and tube-wells.

2. "Factory buildings" does not include offices, godowns, officers' and employees' quarters, roads, bridges, culverts, wells and tube-wells.

3. "Speed boat" means a motor boat driven by a high speed internal combustion engine capable of propelling the boat at a speed exceeding 24 kilometres per hour in still water and so designed that when running at a speed it will plane, i.e., its bow will rise from the water.

4. Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, the depreciation on such assets shall be calculated on a pro rata basis from the date of such addition or, as the case may be, up to the date on which such asset has been sold, discarded, demolished or destroyed.

5. The following information should also be disclosed in the accounts:

(i) depreciation methods used; and

(ii) depreciation rates or the useful lives of the assets, if they are different from the principal rates specified in the Schedule.

6. The calculations of the extra depreciation for double shift working and for triple shift working shall be made separately in the proportion which the number of days for which the concern worked double shift or triple shift, as the case may be, bears to the normal number of working

days during the year. For this purpose, the normal number of working days during the year shall be deemed to be—

(a) in the case of a seasonal factory or concern, the number of days on which the factory or concern actually worked during the year or 180 days, whichever is greater;

(b) in any other case, the number of days on which the factory or concern actually worked during the year or 240 days, whichever is greater.

The extra shift depreciation shall not be charged in respect of any item of machinery or plant which has been specifically, excepted by inscription of the letters "NESD" (meaning "no extra shift depreciation") against it in sub-items above and also in respect of the following items of machinery and plant to which the general rate of depreciation of [13.91] per cent applies

(1) Accounting machines.

(2) Air-conditioning machinery including room air-conditioners.

(3) Building contractor's machinery.

(4) Calculating machines.

(5) Electrical machinery—switchgear and instruments, transformers and other stationary plant and wiring and fitting of electric light and fan installations.

(6) Hydraulic works, pipelines and sluices.

(7) Locomotives, rolling stocks, tramways and railways used by concerns, excluding railway concerns.

(8) Mineral oil concerns—field operations:

(a) [***]

(b) Prime movers

(c) [***]

(d) Storage tanks (above ground)

(e) Pipelines (above ground)

(f) Jetties and dry docks

(9) Mineral oil concerns—field operations (distribution)—kerbside pumps, including underground tanks and fittings.

(10) Mineral oil concerns—refineries:

(a) [***]

(b) Prime movers

(c) [***]

[(d) LPG Plant]

(11) Mines and quarries:

(a) Surface and underground machinery (other than electrical machinery and portable underground machinery)

(b) Head-gears

(c) Rails

(d) [***]

(e) Shafts and inclines

(f) Tramways on the surface

(12) Neo-post franking machines.

(13) Office machinery.

(14) Overhead cables and wires.

(15) Railway sidings.

(16) Refrigeration plant containers, etc. (other than racks).

(17) Ropeway structures:

(a) Trestle and station steel work.

(b) Driving and tension gearing.

(18) Salt works—Reservoirs, condensers, salt pans, delivery channels and piers if constructed of masonry, concrete, cement, asphalt or similar materials; barges and floating plant; piers, quays and jetties; and pipelines for conveying brine if constructed of masonry, concrete, cement, asphalt or similar materials.

(19) Surgical instruments.

(20) Tramways electric and tramways run by internal combustion engines—permanent way: cars—car trucks, car bodies, electrical equipment and motors; tram cars including engines and gears.

(21) Typewriters.

(22) Weighing machines.

(23) Wireless apparatus and gear, wireless appliances and accessories.]

(24) [***]

[7. 'Continuous process plant' means a plant which is required and designed to operate 24 hours a day.

8. Notwithstanding anything mentioned in this Schedule, depreciation on assets, whose actual cost does not exceed five thousand rupees, shall be provided depreciation at the rate of hundred per cent:]

[Provided that where the aggregate actual cost of individual items of plant and machinery costing Rs. 5,000 or less constitutes more than 10 per cent of the total actual cost of plant and machinery, rates of depreciation applicable to such items shall be the rates as specified in Item II of the Schedule.]

Sch. XV

[See section 108B(2)(b)]

1. Arms and ammunition and allied items of defence equipment, defence aircrafts and warships.
2. Atomic energy.
3. Coal and lignite.
4. Mineral oils.
5. Mining of iron ore, manganese ore, chrome ore, gypsum, sulphur, gold and diamond.
6. Mining of copper, lead, zinc, tin, molybdenum and wolfram.
7. Minerals specified in the Schedule to the Atomic Energy (Control of Production and Use) Order, 1953.
8. Railway transport.

Act Name : THE COMPANIES (AMENDMENT) ACT, 2006

Act title : **No. 23 of 2006**

Enactment date : **29th May, 2006.**

1. **SECTION(1.)** Short title and commencement.
2. **SECTION(2.)** Amendment of section 253.
3. **SECTION(3.)** Insertion of new sections 266A, 266B, 266C, 266D, 266E, 266F and 266G.
4. **SECTION(4.)** Insertion of new sections 610B, 610C, 610D and 610E.

Section 1. Short title and commencement.- (1) This Act may be called the **Companies (Amendment) Act, 2006.**(2) It shall come into force on such date as the Central Government may, by notification, appoint and different dates may be appointed for different provisions of this Act.

Section 2. Amendment of section 253. - In section 253 of the **Companies Act, 1956** (hereinafter referred to as the principal Act), the following proviso shall be inserted, namely:—“Provided that no company shall appoint or re-appoint any individual as director of the company unless he has been allotted a **Director Identification Number** under section 266B.”.

Section 3. Insertion of new sections 266A, 266B, 266C, 266D, 266E, 266F and 266G.- After section 266 of the principal Act, the following sections shall be inserted, namely:—
“Director Identification Number

266A. Application for allotment of Director Identification Number.- Every—(a) individual, intending to be appointed as director of a company; or (b) director of a company appointed before the commencement of the **Companies (Amendment) Act, 2006**, shall make an application for allotment of Director Identification Number to the Central Government in such form, and manner (including electronic form) along with such fee, as may be prescribed: Provided that every director, appointed before the commencement of the Companies (Amendment) Act, 2006, shall make, within sixty days of the commencement of the said Act, such application to the Central Government: Provided further that every applicant, who has made an application under this section for allotment of a **Director Identification Number**, may be appointed as a director in a company, or, hold office as director in a company till such time such applicant has been allotted the **Director Identification Number**.

266B. Allotment of Director Identification Number.- The Central Government shall, within one month from the receipt of the application under **section 266A**, allot a **Director Identification Number** to an applicant, in such manner as may be prescribed.

266C. Prohibition to obtain more than one Director Identification Number.- No individual, who had already been allotted a Director Identification Number under section 266B, shall apply, obtain or possess another Director Identification Number.

266D. Obligation of director to intimate Director Identification Number to concerned company or companies.- Every existing director shall, within one month of the receipt of Director Identification Number from the Central Government, intimate his Director Identification Number to the company or all companies wherein he is a director.

266E. Obligation of company to inform Director Identification Number to Registrar.- or section 266C or section 266D or section

266E.- (1) Every company shall, within one week of the receipt of intimation under section 266D, furnish the Director Identification Number of all its directors to the Registrar or any other officer or authority as may be specified by the Central Government. (2) Every intimation under sub-section (1) shall be furnished in such form and manner as may be prescribed.

266F. Obligation to indicate Director Identification Number. - Every person or company, while furnishing any return, information or particulars as are required to be furnished under this Act, shall quote the Director Identification Number in such return, information or particulars in case such return, information or particulars relate to the director or contain any reference of the director.

266G. Penalty for contravention of provisions of section 266A or section 266C or section 266D or section 266E.- If any individual or director, referred to in section 266A or section 266C or section 266D or a company referred to in section 266E, contravenes any of the provisions of those sections, every such individual or director or the company, as the case may be, who or which, is in default, shall be punishable with fine which may extend to five thousand rupees and where the contravention is a continuing one, with a further fine which may extend to five hundred rupees for every day after the first during which the contravention continues.

Explanation.—For the purposes of sections 266A, 266B, 266C, 266D, 266E and 266F, the **Director Identification Number** means an identification number which the Central Government may allot to any individual, intending to be appointed as director or to any existing directors of a company, for the purpose of his identification as such.”.

Section 4. Insertion of new sections 610B, 610C, 610D and 610E.-

After section 610A of the principal Act, the following sections shall be inserted, namely:—

“610 B. Provisions relating to filing of applications, documents, inspection, etc., through electronic form.-

(1) Notwithstanding anything contained in this Act, and without prejudice to the provisions contained in section 6 of the **Information Technology Act, 2000**, the Central Government may, by notification in the Official Gazette, make rules so as to require from such date as may be specified in the rules, that—

(a) **such applications, balance-sheet, prospectus, return, declaration, memorandum of association, articles of association, particulars of charges, or any other particulars or document as may be required to be filed or delivered under this Act or rules made thereunder, shall be filed through the electronic form and authenticated in such manner as may be specified in the rules;**

(b) such document, notice, any communication or intimation, required to be served or delivered under this Act, shall be served or delivered under this Act through the electronic form and authenticated in such manner as may be specified in the rules;

(c) such applications, balance-sheet, prospectus, return, register, memorandum of association, articles of association, particulars of charges, or any other document and return filed under this Act or rules made thereunder shall be maintained by the Registrar in the electronic form and registered or authenticated, as the case may be, in such manner as may be specified in the rules;

(d) such inspections of the memorandum of association, articles of association, register, index, balance-sheet, return or any other document maintained in the electronic form, which is otherwise available for such inspection under this Act or rules made thereunder, may be made by any person through the electronic form as may be specified in the rules;

(e) such fees, charges or other sums payable under this Act or rules made thereunder shall be paid through the electronic form and in such manner as may be specified in the rules;

(f) the Registrar shall, register change of registered office, alteration of memorandum of association or articles of association, prospectus, issue certificate of incorporation or certificate of commencement of business, register such document, issue such certificate, record notice, receive such communication as may be required to be registered or issued or recorded or received, as the case may be, under this Act or rules made thereunder or perform duties or discharge functions or exercise powers under this Act or rules made

thereunder or do any act which is by this Act directed to be performed or discharged or exercised or done by the Registrar, by the electronic form, in such manner as may be specified in the rules.

(2) The Central Government may, by notification in the Official Gazette, frame a scheme to carry out the provisions specified under sub-section (1) through the electronic form: Provided that the Central Government may appoint different dates in respect of different Registrar of Companies or Regional Directors from which such scheme shall come into force.

610C. Power to modify Act in relation to electronic records (including the manner and form in which electronic records shall be filed).-

(1) The Central Government may, by notification in the Official Gazette, direct that any of the provisions of this Act, so far as it is required for the purpose of electronic record specified under section 610B in the **electronic form**,—

(a) shall not apply, in relation to the matters specified under clauses (a) to (f) of sub-section (1) of section 610B, as may be specified in the notification;
or (b) shall apply, in relation to the matters specified under clauses (a) to (f) of sub-section (1) of section 610B only with such consequential exceptions, modifications or adoptions as may be specified in the notification: Provided that no such notification which relates to imposition of fines or other pecuniary penalties or demand or payment of fees or contravention of any of the provisions of this Act or offence shall be issued under this sub-section.

(2) A copy of every notification proposed to be issued under sub-section (1), shall be laid in draft before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in disapproving the issue of the notification or both Houses agree in making any modification in the notification, the notification shall not be issued or, as the case may be, shall be issued only in such modified form as may be agreed upon by both the Houses.

610D. Providing of value added services through electronic form.- The Central Government may provide such value added services through the electronic form and levy such fees as may be prescribed.

610E. Application of provision of Act 21 of 2000.- All the provisions of the **Information Technology Act, 2000** relating to the electronic records (including the manner and format in which the electronic records shall be filed), in so far as they are not inconsistent with this Act, shall apply, or in relation, to the records in electronic form under **section 610B**.”.