

ARTICLES OF ASSOCIATION OF TORRENT POWER LIMITED

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COMPANY LIMITED BY SHARES
(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION
OF
TORRENT POWER LIMITED

This Articles of Association was adopted pursuant to the members' resolution passed at the Annual General Meeting of the Company held on 4th August, 2015 in substitution for, and to the entire exclusion of, the extant Articles of Association of the Company.

TABLE F EXCLUDED

1. a. The regulations contained in Table "F" in the Schedule I to the Companies Act, 2013 (Table 'F'), as are applicable to a public company limited by shares, shall apply to the Company, so far as they are not inconsistent with any of the provisions contained in these Articles or modifications thereof and only to the extent that there is no specific provision in these Articles. In case of any conflict between the provisions of these Articles and Table 'F', the provisions of these Articles shall prevail. **Table 'F' not to apply**
- b. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles. **Company to be governed by these Articles**

INTERPRETATION

2. I. In the interpretation of these Articles, unless repugnant to the subject or context: –
 - a) "Act" means the Companies Act, 2013 and the rules made there under or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so **Act**

far as may be applicable.

- b) “Articles” means these Articles of Association of the Company or as altered from time to time. **Articles**
- c) “Board of Directors” or “Board” means the Directors of the Company collectively including acting by circular under these Articles and shall include Committees thereof **Board of Directors or Board**
- d) “Beneficial Owner” shall mean beneficial owner as defined in the Depositories Act, 1996. **Beneficial Owner**
- e) “Company” means Torrent Power Limited. **Company**
- f) “Depositories Act” means the Depositories Act, 1996 and shall also include rules made thereunder, if any, and any statutory modifications or re-enactment thereof for the time being in force. **Depositories Act**
- g) “Depository” shall mean a Depository as defined under the Depositories Act. **Depository**
- h) “Director” means a director appointed to the Board of the Company. **Director**
- i) “Executor” or “Administrator” means a person who has obtained probate or Letters of Administration, as the case may be, from a competent Court, and shall include the holder of a succession certificate authorising the holder thereof to negotiate or transfer the shares of the deceased members and shall also include the holder of a certificate granted by the Administrator- General of any State in India. **Executor or Administrator**
- j) “In writing” or “written” means and includes words printed, lithographed, represented or reproduced in any mode in a visible form and shall also include e-mail, and any other form of electronic transmission. **In Writing or Written**
- k) “Legal Representative” means a person who in law represents the estate of a deceased Member. **Legal Representative**
- l) “Meeting” or “General Meeting” means a meeting of Members held in accordance with the Act. **Meeting or General Meeting**
- m) “Office” means the registered office for the time being of the Company and with respect to the keeping and inspection of registers and returns and other matters mentioned in the Act and includes any other place as prescribed by the Act. **Office**

- n) “Seal” means the common seal of the Company; **Seal**
- o) “Securities” shall mean securities as defined under the Securities Contracts (Regulation) Act, 1956, or any modifications or re-enactments thereof for the time being in force and includes hybrids. **Securities**
- p) “Shareholder” or “Member” means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and the Beneficial Owner, whose name is recorded as such with the Depository. **Shareholder or Member**
- II.
- a) Words importing the singular number include where the context admits or requires the plural number and *vice-versa* and words importing the masculine gender also include the feminine and neuter genders. **Singular/Plural and Gender**
- b) The headings and marginal notes hereto are inserted for convenience only and shall not affect the construction hereof. **Headings**
- III. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act. **Expressions in the Articles to bear the same meaning as in the Act**
- IV. The Company shall, on being so required by a Member, send to him a requested copy of the Memorandum of Association, Articles and/or resolutions altering Memorandum of Association and Articles of the Company within prescribed time and subject to the payment of fee as may be specified in the Act. **Copies of the Memorandum and Articles to be furnished**

SHARE CAPITAL & VARIATION OF RIGHTS

3. The Authorised Capital shall be as stated in the Clause V of the Memorandum of Association of the Company with power to the Board, subject to applicable statutory provisions, to re-classify, subdivide, consolidate or increase and with power from time to time, to issue any share of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions as may be, thought fit and upon the sub-division of shares to apportion the right to participate in any manner **Authorised Capital**

as between the share resulting from such sub-division.

4. Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise in all respects as if it had been the original capital.

New capital same as existing capital
5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company (including any shares forming part of any increased capital of the Company) shall be under the control of the Board which may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions, either at a premium or at par and at such time as it may, from time to time, think fit.

Shares at the disposal of Board
6. The Company may issue sweat equity shares in accordance with the provisions of the Act or any other applicable laws.

Sweat Equity Shares
7. The Company may issue Global Depository Receipts in any foreign country in accordance with these Articles, the Act and other applicable laws.

Global Depository Receipts
8. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

Board may issue/allot shares otherwise than in cash
9. The Company may have the following kinds of share capital in accordance with these Articles, the Act, and other applicable laws:

 - i. Equity share capital:
 - a) with voting rights; and / or
 - b) with differential rights as to dividend, voting or otherwise in accordance with the Act; and
 - ii. Preference share capital

Kinds of Share Capital

10. If and whenever as a result of issue of new or further shares or any consolidation or subdivision of shares or otherwise, any shares held by members become fractional shares, all such fractional entitlements shall be consolidated into whole shares and be allotted to such person, persons or entities (including one or more of the Directors and/or officers) as may be nominated by the Board as trustee(s) for sale thereof, in open market through Securities and Exchange Board of India registered share broker at such price as may be approved by such trustee(s) in this regard and the net proceeds of such sale shall be distributed to the persons entitled thereto in proportion to their respective fractional entitlements. **Fractional Shares**
11. The Premium received on issue of any Securities shall be dealt with in the manner as prescribed under the Act. **Premia received on Securities**
12. a) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation(in case of subscribers to the memorandum) or after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide, - **Issue of Share Certificate**
- i. one certificate for all his shares or several certificates, each for one or more of his shares, in marketable lot, without payment of any charges; or
- ii. several certificates, each for one or more of his shares, not in marketable lot, upon payment of twenty rupees or such charges as may be fixed by the Board for each certificate after the first.
- b) Every certificate shall have distinctive number and shall be issued under the Seal, if any, and shall specify the shares to which it relates and the amount paid – up thereon and shall be in such form as may be prescribed and approved by the Board. **Form of Certificate**
- c) In respect of any shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of share certificate to one of several joint holders shall be sufficient delivery to all such holders. **One certificate for shares held jointly**
- d) If any certificate is lost or destroyed or defaced, mutilated or torn or has no further space on the back thereof for **Issue of new certificate in**

endorsement of transfers then in case of a lost or destroyed certificate upon proof to the satisfaction of the Board as to its loss or destruction and on such indemnity as the Board deem adequate being given and in other cases, upon surrender of the certificate to the Company, a new certificate in lieu thereof shall be given to the person entitled to such certificate. Any new or renewed certificate may be marked as such. The out of pocket expenses incurred by the Company in investigating the evidence as to the loss or destruction shall be paid to the Company. No fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been utilised fully.

place of the one defaced, lost, destroyed, etc.

Where a new certificate has been issued as aforesaid, particulars of every such certificate shall be entered in a register of Renewed and Duplicate Share Certificates indicating against the name of the person to whom the certificate is issued. All entries made in the said Register shall be authenticated by the company secretary or Chief Financial Officer or such other person as may be authorised by the Board.

- e) The Board may, subject to the provisions of the Act, accept the surrender of any share from or by any shareholder desirous of surrendering those on such terms as they think fit. **Surrender of share certificates**
- f) A person subscribing to shares offered by the Company shall have the option either to receive certificate for such shares or hold such shares in a dematerialized form with the Depository. Where a person opts to hold any share with the Depository, the Company shall intimate such Depository the details of allotment of the share to enable the Depository to enter in its records, the name of such person as the Beneficial Owner of that share. **Option to receive share certificate or hold shares with Depository**
13. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing shares, rematerialize its shares held in the Depositories and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act. **Company entitled to dematerialize/re-materialise its shares**

14. Save as herein or by laws otherwise expressly provided, the Company shall be entitled to treat the registered holder/Beneficial Owner of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any benami trusts whatsoever or equitable, contingent, future, partial or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

Beneficial owner deemed as absolute owner

15. Subject to the provisions of the Act, any debentures, debenture-stock, bonds or other Securities may be issued at a discount, premium or otherwise, and on condition (with the consent of the Company in General Meeting) that they may have a right to allotment of or be convertible into shares of any denominations, and with any special privileges and conditions as to redemption (or being irredeemable), surrender, drawings, re-issue, attending at General Meeting of the Company, appointment of Directors, and otherwise, provided that no debentures, debenture stock, bonds or other securities may be issued carrying voting rights.

Terms of issue of debentures, etc.

Further, the Company shall have power to reissue redeemed debentures in certain cases as provided in the Act.

A contract with the Company to take up and pay any debentures of the Company may be enforced by a decree for specific performance by the Company.

The Company shall comply with the provisions of appointment of Debenture Trustees, creation of Debenture Redemption Reserve and other applicable provisions of the Act or as may be specified by any other applicable law pertaining to issue and redemption of debentures.

16. a) The Company may exercise the powers of paying commission conferred by the Act or any other applicable law, to any person in connection with the subscription of any securities, provided that the commission paid or agreed to be paid shall be disclosed in the manner required by the Act or any other applicable law.

Power to pay commission in connection with securities issued

The Company shall not pay any commission to any underwriter on securities which are not offered to public for subscription.

b) The rate or the amount of the commission shall not exceed **Rate of**

	the rate or amount prescribed in the Act or any other applicable laws.	commission in accordance with Act
c)	The commission may be satisfied by the payment of cash or in shares or any other Security (whether fully paid or otherwise) or in any combination thereof.	Mode of payment of commission
d)	Nothing in this clause shall affect the power of the Company to pay such brokerage as it may consider reasonable.	Payment of Brokerage
17. a)	If at any time the share capital is divided into different classes of shares, all or any rights and privileges attached to any such class (unless otherwise provided by the terms of issue of the shares of that class) may be varied, in accordance with the provisions of the Act, and whether or not the Company is being wound up.	Variation of Member's rights
b)	The rights conferred upon the holders of the shares of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares of that class ranking <i>pari passu</i> therewith.	Issue of further shares not to affect rights of existing members
18.	In addition to and without derogating from the powers for the purpose conferred on the Board under these Articles, the Company may issue securities, in any manner whatsoever, including by way of preferential offer to any person, subject to the provisions of the Act.	Preferential Allotment
19.	Subject to the provisions of the Act, the Company may issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board.	Power to issue preference shares
20. a)	The Company may, in accordance with the Act, issue further shares to –	Further issue of share capital
	i. Persons who, at the date of offer, are holders of equity shares of the Company; in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in	

- favour of any other person; or
 - ii. employees under any scheme of employees' stock option; or
 - iii. any persons, whether or not those persons include the persons referred to in clause (i) or clause (ii) above.
 - b) Subject to and in accordance with the provision of the Act, a further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement. **Mode of further issue of shares**
- 21. Except as specifically provided in these Articles, the provisions relating to Share Capital and Variation of Rights shall be applicable to shares held in electronic form so far as they apply to shares in physical form however, subject to the provisions of the Depositories Act. **Provisions to apply to shares in electronic form**
- 22. The provisions of these Articles relating to Share Capital and Variation of Rights thereon shall *mutatis mutandis* apply to debentures and other securities of the Company, as applicable **Provisions to apply *mutatis mutandis* to debentures, etc.**
- 23. The Board shall comply with such Rules or Regulations or requirements of any Stock Exchange or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable for the purpose of these Articles. **Board to comply with applicable regulations**

LIEN

- 24. a) The Company shall have a first and paramount lien upon all the shares not being fully paid-up shares, registered in the name of each member (whether held solely or jointly) and upon the proceeds of sale thereof, for all moneys from time to time due or payable (whether presently payable or not) by him to the Company for calls made and all amounts or installments payable as provided by these Articles in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that these Articles is to have full effect. **Company's lien on shares**
- Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
- b) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and **Lien to extend to dividends,**

	bonuses declared from time to time in respect of such shares for any money owing to the Company.	Bonus etc.
c)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	Waiver of lien in case of registration
25. a)	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— i. unless a sum in respect of which the lien exists is presently payable; or ii. 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 to the person entitled thereto by reason of his death or insolvency or otherwise.	Enforcing lien by sale
b)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	Board may authorize
c)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
26. a)	The receipt by the Company of the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	Validity of Company's receipt
b)	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 with reference to the sale.	Purchaser's title not affected
27.	The proceeds of 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 and the residue (if any) shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to	Application of proceeds of sale

the person entitled to the shares on the date of the sale.

28. In exercising its lien, no equitable interest in any shares shall be created except on the footing and condition that Article 14 hereof is to have full effect. **Outsider's lien not to affect Company's lien**
29. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company. **Provisions to apply *mutatis mutandis* to debentures, etc.**

CALLS ON SHARES

30. a) The Board may, from time to time, make calls upon the members in respect of any monies 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. **Board may make calls**
- Provided that no call shall exceed such amount of the nominal value of the share as may be prescribed under the Act or be made payable within such period or further period as may be prescribed under the Act or any other applicable law.
- b) All calls shall be made on a uniform basis on all shares falling under the same class. **Calls on shares of same class to be on uniform basis**
- Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
- c) Each member shall, subject to receiving at least fourteen days' notice specifying the time and place of payment pay to the Company, at the time and place so specified, the amount called on his shares. **Notice of call**
- d) 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 made payable (including in instalments) by the members on a subsequent date or dates to be fixed by the Board. **Call to take effect from the date of resolution**
- e) The Board may from time to time at its absolute discretion extend the time fixed for the payment of any call in respect **Board may extend time**

- of one or more members as the Board may deem appropriate in any circumstances but no member shall be entitled to such extension save as a matter of grace and favour. **for payment**
- f) A call, before the time for payment of such call, may be revoked or postponed at the discretion of the Board. **Revocation or postponement of call**
31. a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the “due date”), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate of interest as may be fixed by the Board. **When interest on call or installment payable**
- b) The Board shall be at liberty to waive payment of any such interest wholly or in part. **Board may waive interest**
32. a) Any sum which by the terms of issue of shares 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 Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, such sum becomes payable. **Sums deemed to be calls**
- b) In case of non-payment of such sum, all the relevant provisions of these Articles 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. **Effect of nonpayment of sums**
33. The Board – **Payment in anticipation of calls**
- i. may, if it thinks fit, receive from any member willing to advance all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - ii. upon all or any of the monies so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate of interest as may be fixed by the Board.

Nothing contained in this Article shall confer upon the member (i) any right to participate in profits or dividends or (ii) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

- 34.** If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the Legal Representative. **Installments on shares to be duly paid**
- 35.** Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. **Partial payment not to preclude forfeiture**
- 36.** On the trial or hearing of any action or suit brought by the Company against any member or his Legal Representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his Legal Representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Director(s) who made such call, nor that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, or that the money sought to be recovered has actually been paid. **Proof on trial or suit**

37. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company. **Provisions to apply *mutatis mutandis* to debentures, etc.**

FORFEITURE OF SHARES

38. a) If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on or before the day appointed for payment of the same or any such extension thereof or any interest due on such call or installment or any expenses that may have been incurred thereon, the Board may, at any time thereafter, during such time as any part of the call or installment or interest or expense remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice in the manner hereinafter provided, on such member or his heir, Administrator, Executor, assignee or if none be known to the Company, then by advertisement requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment. **If call or instalment not paid notice must be given**

For the purposes of the provisions of these Articles relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the date of allotment.

- b) The notice aforesaid shall - **Form of notice**
- i. 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
 - ii. 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 shall be liable to be forfeited.
- c) 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. **In default of payment, shares to be forfeited**

- d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture or to any of his Legal Representatives, or to any of the persons entitled to the share by transmission and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall in any manner be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid. **Notice after forfeiture**
- e) A duly verified declaration in writing that the declarant is a Director, the manager or the company secretary or the Chief Financial Officer of the Company, and that the shares in the Company have 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. **Certificate of forfeiture**
39. a) The forfeiture of a share shall involve extinction, of all interest in and all claims and demands against the Company, in respect of the shares and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved. **Effect of forfeiture**
- b) Any share so forfeited shall be deemed to be the property of the Company and the Board may, in its absolute discretion, sell, re-allot or otherwise dispose of the same, either to the original holder thereof or to any other persons, on such terms and in such manner as the Board may think fit. **Forfeited shares to become property of the Company and may be sold, etc.**
40. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit. **Power to annul forfeiture**
41. a) A member 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, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares **Members still liable to pay money owing at the time of forfeiture**
- b) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the **Member still liable to pay**

- time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.
- money owing along with interest**
- c) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares
- Cessation of liability**
42. a) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof.
- Title of purchaser and transferee of forfeited shares**
- It is hereby clarified that the person to whom such share is sold, re-allotted or disposed of may not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.
- b) Upon any sale after forfeiture, in purported exercise of the powers herein before given, the Board may authorise some person or persons to execute an instrument of transfer of the shares sold.
- Validity of sales**
- Upon any such sale after forfeiture in purported exercise of powers the Board shall cause the purchaser's name to be entered in the Register in respect of the shares sold and shall issue to the purchaser a certificate in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- c) The purchaser shall thereupon be registered as the holder of the share comprised in such transfer.
- Purchaser to be registered as holder**

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| d) | Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the Certificate , if any, originally issued in respect of the forfeited shares shall (unless the same, on demand by the Company, has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect. Where any Shares under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered to the Company by the former holder of such Shares, the Board may issue a new certificate for such Shares distinguishing it in such manner, as it may think fit, from the certificate not so delivered. | Cancellation of share certificate in respect of forfeited shares |
| 43. | The provisions of these Articles relating to forfeiture shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company. | Provisions to apply <i>mutatis mutandis</i> to debentures, etc. |

TRANSFER OF SHARES

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| 44. | The Company shall keep a book called the ‘Register of Transfers’ and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares of the Company. | Register of Transfer |
| 45. | The instrument of transfer of any share shall be as prescribed under the Act. | Instrument of transfer |
| 46. | No transfer shall be registered unless the instrument of transfer of any share duly executed by or on behalf of both the transferor and transferee is delivered to the Company.

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. | Instrument of transfer to be executed by transferor and transferee |
| 47. | The Board may in its absolute and uncontrolled discretion decline to recognise any instrument of transfer unless –

i. the instrument of transfer is duly executed and is in the form as prescribed in the Act;

ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and | Board may decline to recognize instrument of transfer |

- iii. the instrument of transfer is in respect of only one class of shares.
48. a) The Board may, subject to the right of appeal conferred by the Act, decline to register the transfer of a share – **Board may refuse to register transfer**
- i. not being a fully paid share, to a person of whom they do not approve; or
- ii. on which the Company has a lien.
- b) The Board shall not issue or register a transfer of any shares to a minor (except in case when they are fully paid) or insolvent person or person of unsound mind. **No transfer to minor, etc.**
- c) Subject to the power of the Board stated in these Articles, transfer of Shares, in whatever lot should not be refused. However, the Company may refuse to split a Share Certificate into several scrips of very small denominations or to consider a proposal for transfer of Shares comprised in a Share Certificate to several parties, involving such splitting if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need or not of a marketable lot. **Board may refuse any application for split or consolidation of Certificate(s)**
49. Where the proper instrument of transfer is not received by the Company within a period of two months from the date on which the instrument is dated, the Board may at its sole discretion be entitled to seek such documentation including indemnities as it may deem fit, from both the transferor and transferee, or from the person who has lodged the same for transfer, and the Board may at its sole discretion be entitled to give effect to the transfer on receipt of such documentation and indemnities (save where an order of a competent court is produced, the Board shall then give effect to the transfer). **Where proper instrument of transfers not received by the Company**
- If the Company refuses to register the transfer of any shares, the Company shall, within one month from the date on which the instrument of transfer is lodged with the Company, send to the Transferee and the Transferor notice of the refusal.
- Nothing in this Article shall prejudice any power of the Company to register as Shareholder any person to whom the right to any share has been transmitted by operation of law.

Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

- 50.** A certification by the Company of any instrument of transfer of shares shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents, as on the face of them show a *prima facie* title to the shares in the transferor named in the instrument of transfer but not as a representation that the transferor has any title to the shares. **Certificate of transfer**
- 51.** All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Board may decline to register shall, on demand, be returned to the person depositing the same. The Board may, subject to the applicable statutory provisions, cause to be destroyed all transfer deeds lying with the Company after such periods as it may determine. **When transfer to be retained**
- 52.** The Board may, after giving due notice, close the Register of Members or any other Register of security holder for any period in accordance with the Act and other applicable law. **Closure of transfer books**
- 53.** Notwithstanding anything contained herein, in the case of transfer of shares where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply. **Shares in fungible form**
- 54.** The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company. **Provisions to apply *mutatis mutandis* to debentures, etc.**

TRANSMISSION OF SHARES

- 55.** a) On the death of a member the survivor or survivors where the member was a joint holder, and his nominee or nominees or Legal Representatives where the member was a sole holder, shall be the only person or persons recognised by the Company as having any title to his interest in the shares. **Title to shares on death of a member**
- b) Provided however that, nothing herein contained shall be **Estate of**

taken to release the estate of deceased joint holder from any liability on shares held by him jointly with any other person. **deceased member liable**

- 56.** a) Any person becoming entitled to a share in consequence of the death, lunacy, liquidation or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect, either - **Transmission Clause**
- i. to register himself as holder of the share; or
 - ii. to make such transfer of the share as the deceased or lunatic or insolvent member could have made.

A transfer of the share or other interest in the Company of a deceased member thereof made by his Legal Representative shall, although, the Legal Representative is not himself a member be as valid as if he had been a member at the time of effecting the transmission.

- b) A person becoming entitled as above 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 to exercise any right conferred by membership in relation to Meetings of the Company. **Claimant to be entitled to same advantage**

- 57.** a) If the person so becoming entitled shall elect to register himself as holder of the share, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. **Intimation of election**

- b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. **Manner of testifying election**

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 forty five days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

- 58.** Every transmission of share shall be verified in such manner as the Board may require and the Company may refuse to register any such transmission until the same be so verified or until and unless an indemnity be given to the Company with regard to such registration which the Board in its **Evidence of transmission to be verified**

discretion shall consider sufficient; provided nevertheless that there shall not be any obligation on the Company or the Board to accept an indemnity.

59. a) All the limitations, restrictions and provisions of these Articles 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 lunacy or liquidation or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member. **Limitations applicable to notice**
- b) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purported to be made by any apparent legal owner thereof (as shown or appearing on the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to attend or give effect to any such notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit. **Company not liable for disregard of notice prohibiting registration of transfer**
60. a) The Board shall, subject to the provisions contained herein, have the right to refuse to register a person entitled by transmission to any shares or his nominee, as if he were the transferee named in an ordinary transfer presented for registration. **Board's right to refuse to register**
- b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or lunatic or insolvent member had transferred the share before his death or insolvency. **Board's right unaffected**
- c) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer. **Indemnity to the Company**
61. No fee shall be payable to the Company in respect of the transfer or transmission of Shares. **No fee on transfer or**

transmission

62. Notwithstanding anything contained herein, in the case of transmission of shares where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply. **Shares in fungible form**

63. The provisions of these Articles relating to transmission shall *mutatis mutandis* apply to any other securities including debentures of the Company. **Provisions to apply *mutatis mutandis* to debentures, etc.**

ALTERATION OF CAPITAL

64. The Company may, from time to time, subject to the provisions of the Act, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. **Power to increase share capital**

65. a) Subject to the provisions of the Act, the Company may, — **Ways to alter Capital**

- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
- iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- iv. cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

66. a) Where shares are converted into stock: **Transfer of stock**

the holders of stock may transfer the same or any part thereof in the same manner as, and subject to these Articles 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.

- b) 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; **Right of stockholders**
- c) Such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “Share” and “Shareholder”/“Member” shall include “stock” and “stock-holder” respectively. **Provisions to apply *mutatis mutandis* to stock**
67. The Company may, from time to time, as prescribed by the Act and subject to such consents as may be required under any other law for the time being in force, reduce in any manner:
- i. its share capital; and/or
 - ii. any capital redemption reserve account; and/or
 - iii. any securities premium account; and/or
 - iv. any other reserves in the nature of share capital.
- Reduction of capital**

JOINT HOLDERS

68. a) Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the provisions contained in these Articles. **Joint holders**
- b) Any one of two or more joint-holders may vote at any Meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any Meeting personally or by proxy or by attorney, then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof **Vote of joint holders**
- c) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share. **Liability of Joint holders**

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| 69. | a) | On the death of any one or more of such joint-holders, the survivor shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit. | Death of any joint-holder |
| | b) | Nothing in Article a) above shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with any other person. | Estate of deceased member liable |
| 70. | a) | Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders. | Delivery of certificate and giving of notice to first named holder |
| | b) | If any shares stand in the names of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the company except voting at the Meeting and the transfer of shares be deemed the sole holder thereof. | The first named of joint holders deemed sole holder |
| 71. | | Several Executors or Administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Article be deemed to be joint-holders. | Executors or Administrators deemed to be joint holders |
| 72. | | The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names. | Provisions to apply <i>mutatis mutandis</i> to debentures, etc. |

CAPITALISATION OF PROFITS

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| 73. | a) | The Company, may in accordance with the provisions of the Act, resolve— | Capitalisation of profits |
| | i. | 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 | |

- ii. that such sum be accordingly set free for distribution in the manner specified in Article b) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.
 - b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article c) below, 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 or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - iii. partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - c) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares or other securities as permissible under the Act.
 - d) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- 74. a) Whenever such a resolution as aforesaid shall have been passed, the Board shall -
 - i. make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
 - ii. generally do all acts and things required to give effect thereto.
- b) The Board shall have full power—
 - i. to make such provisions, by the issue of fractional certificates or coupons, by payment in cash , by vesting of any shares, certificates, coupons or cash in trustees or

Sum how applied

Application of reserves

Board to give effect

Powers of the Board for capitalization

Board's power to issue fractional Certificate, coupon, etc.

otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and also

- ii. 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 or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

- c) Any agreement made under such authority shall be effective and binding on all such members. **Agreement binding on Members**

WARRANTS

- 75. The Company may issue warrants on preferential basis pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any statutory modifications or re-enactment thereof. **Issue of Warrants**

BUY-BACK OF SHARES

- 76. Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back. **Buy-back of shares**

GENERAL MEETINGS

- 77. The Company may convene annual General Meeting from time to time in accordance with the provisions of Act. **Annual General Meeting**
- 78. a) All General Meetings other than annual General Meeting shall be called extraordinary General Meeting. **Extraordinary General Meeting**

- b) The Board may, whenever it thinks fit, convene an extraordinary General Meeting. **Powers of Board to call extraordinary General Meeting**
- If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, 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.
- c) The Board shall, on the requisition of prescribed number of members of the Company, forthwith proceed duly to call an Extraordinary General Meeting in accordance with the provisions of the Act. **Requisition by members**
- Provided that such requisition may consist of several documents in like form, each signed by all the requisitionists or by a requisitionist duly authorised in writing by all other requisitionists on their behalf or by sending an electronic request attaching therewith a scanned copy of such duly signed requisition.

PROCEEDINGS AT GENERAL MEETINGS

- 79.** a) 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. **Presence of Quorum**
- b) Save as otherwise provided, the quorum for a General Meeting shall be as provided in the Act. **Quorum for General Meeting**
- When more than one of the joint holders of a share is present, only one of them shall be counted for ascertaining the quorum.
- 80.** a) The Chairperson of the Board shall be entitled to preside as Chairperson at every General Meeting of the Company. **Chairperson of the Meetings**
- b) If there is no such Chairperson or if he is not present within 15 (fifteen) minutes after the time appointed for holding such Meeting, or is unwilling to act as chairperson of the Meeting, the Directors present shall elect one of their members to be Chairperson of the Meeting. **Directors to elect a Chairperson**

- c) If at any Meeting no Director is willing to act as Chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the Meeting, the members present shall choose one of their members to be Chairperson of the Meeting thereof . **Members to elect a Chairperson**
- 81.** No business shall be discussed or transacted at any General Meeting, except the election of Chairperson, whilst the chair is vacant. **When chair vacant business confined to election of Chairperson**
- 82.** Unless a poll be demanded or voting is carried out electronically, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the said fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. **Chairperson's declaration conclusive**
- 83.** On any business at any General Meeting, in case of an equality of votes, whether on a show of hands or on poll (if any) or electronically, the Chairperson shall have a second or casting vote. **Casting vote of Chairperson at General Meeting**
- 84.** The Board may in its absolute discretion, on giving not less than 7 (seven) clear days' notice in accordance with these Articles, postpone or cancel any Meeting of members except a Meeting called pursuant to members requisition. **Postponement or cancellation of Meeting**
- 85.** a) The Company shall cause minutes of the proceedings of every General Meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act and kept by making within prescribed number of days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered. **Minutes of proceedings of Meetings and resolutions passed by postal ballot**
- b) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the Meeting -
- i. is, or could reasonably be regarded, as defamatory of any person; or
 - ii. is irrelevant or immaterial to the proceedings; or
- Certain matters not to be included in minutes**

- iii. is detrimental to the interests of the Company.
- c) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid Article. **Discretion of Chairperson in relation to Minutes**
 - d) The minutes of the Meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein. **Minutes to be evidence**
- 86.**
- a) The books containing the minutes of the proceedings of any General Meeting of the Company or a resolution passed by postal ballot shall be:
 - i. kept at the Office of the Company; and
 - ii. open to inspection by any member without any charge, during 11.00 a.m. to 1.00 p.m. (provided the office shall otherwise be open for normal inspection) on all working days other than Saturdays.**Inspection of minutes books of General Meeting**
 - b) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board or Committee thereof, with a copy of any minutes of General Meeting. **Members may obtain copy of minutes**

Provided that a member who has made a request for a soft copy of the minutes of any previous General Meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.
 - c) No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by the Act to be contained in the Minutes of the proceedings of such Meeting. **Publication of reports of proceedings of General Meeting**
- 87.**
- The Board, and any person(s) authorised by it, may take such action or steps before the commencement of any General Meeting, or any Meeting of a class of members of the Company, as the Board or such person(s) consider appropriate to ensure that the Meeting is conducted in an orderly manner and proper decorum is maintained thereof. Any decision made in good faith under this Article shall be final and conclusive and shall not be called in question. **Orderly conduct of Meetings**

ADJOURNMENT OF MEETING

88. a) Subject to the provisions of the Act, the Chairperson 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. **Chairperson may adjourn the Meeting**
- b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. **Business at adjourned Meeting**
- c) 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. **Notice of adjourned Meeting**
- d) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting. **Notice of adjourned Meeting not required**

VOTING RIGHTS

89. Subject to any rights or restrictions for the time being attached to any class of shares – **Entitlement to vote on show of hands and on poll**
- i. on a show of hands, every member present in person shall have one vote; and
- ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
90. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. **Business may proceed pending poll**
91. Where a poll is to be taken, the chairperson of the Meeting shall appoint such number of scrutinizer/s who need not be Members of the Company, to scrutinize the poll process, votes casted by poll and to report thereon to him subject to provisions of Act for the time being in force. **Scrutinizers at poll**

The Chairperson shall have power, at any time before the result of the poll is declared to remove a scrutiner from office and to fill vacancies in the office of scrutiner arising from such removal or from any other cause.

92. A member may exercise his vote by electronic means in accordance with the Act and shall vote only once. **Voting through electronic means**
93. a) 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. **Vote of joint holders**
- b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. **Seniority of names**
94. 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. **How members *non compos mentis* and minor may vote**
- If any member be a minor, the vote in respect of his share or shares shall be made by his guardian or any one of his guardians.
95. Subject to the provisions of the Act and these Articles, any person entitled under the Transmission Clause to any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such Meeting in respect thereof. **Vote in case of Transmission**
96. No member shall be entitled in respect of any shares registered in his name to be present or to exercise any voting right on any question at any General Meeting or be reckoned in a quorum whilst any call or other sum presently payable to the Company in respect of such shares, remains unpaid or the Company has exercised any right of lien. **Restriction on voting rights**
97. No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which vote objected to is given or tendered, and every vote not disallowed at such Meeting shall be valid for all purposes. **No objection can be raised to the qualification of voter**
- Any such objection made in due time shall be referred to the

Chairperson of the Meeting, whose decision shall be final and conclusive.

98. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class. **Equal rights of members**
99. The Chairperson of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. **Chairperson sole judge of the validity of a vote**

PROXY

100. a) Any member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that Meeting. **Member may vote in person or otherwise**
- A Proxy can act on behalf of Members not exceeding such number and holding in the aggregate not more than such percent of the total share capital of the company carrying Voting Rights as may be prescribed by the Act.
- b) No member not personally present shall be entitled to vote on a show of hands unless such member is a Body Corporate present by proxy or by a representative duly authorised under the Act in which case such proxy or representative of a Body Corporate may vote on a show of hands as if he were a member of the Company. **No voting by proxy on show of hands**
101. a) An instrument appointing a proxy shall be in the form as prescribed in the Act. **Form of proxy**
- b) The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorized in writing. If the appointer is a Body Corporate such instrument shall be under its Seal, if any or be signed by an officer or an attorney duly authorised by it, or by the persons authorised to act as the representative of such Company under the Article. **Instrument of Proxy to be in writing**
- c) Subject to the provisions of the Act, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power of attorney or authority, shall be deposited at **Proxies when to be deposited**

the Office of the Company not less than 48 hours before the time for holding the Meeting or adjourned Meeting, as the case may be, at which the person named in the instrument proposes to vote or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

- d) If any such instrument of appointment be confined to the object of appointing an attorney or proxy or substitute, it shall remain permanently and for such time, as the Board may determine, in the custody of the Company and if embracing other objects, a copy thereof examined with original shall be delivered to the Company to remain in the custody of the Company. **Custody of instruments of proxy**
- 102.** Any instrument appointing a proxy to vote at a Meeting shall be deemed to include the power to demand or join in the demand for a poll on behalf of the appointer, where a poll has not been ordered to be carried out electronically. **Proxy may demand Poll**
- 103.** 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: **Validity of votes by proxies**
- 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.
- In case of e-voting, a Member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the login credentials of that Member.

BOARD OF DIRECTORS

- 104.** Subject to the provisions the Act, the number of Directors of the Company shall not be **Number of Directors**
- i. less than three or
 - ii. until otherwise determined by a General Meeting more than the maximum as may be permissible under the Act.

- 105.** The subscribers to the Memorandum of Association and Articles of the Company shall be the first Directors of the Company. **First Directors**
- 106.** It shall not be necessary for a Director to hold any share in the Company to qualify for the office of a Director. **Qualification shares**
- 107.** The Board shall arrange to maintain at the Office of the Company, a Register in the form prescribed under the Act, containing the particulars of Directors and Key Managerial Personnel. It shall be the duty of every Director and other persons regarding whom particulars have to be maintained in such Registers to disclose to the Company any matters relating to himself as may be necessary to comply with the provisions of the Act. **Register of Directors and disclosure by Directors**
- 108.** The Company, subject to provisions of the Act, shall have the power to determine the directors whose period of office shall be liable to determination by retirement of directors by rotation or not. **Directors not liable to retirement by rotation**
- 109.** An individual may be appointed or reappointed to, or hold, the position of Chairperson of the Company and also its Managing Director or Chief Executive Officer (as the case may be) at the same time. **Chairperson may be Managing Director or Chief Executive Officer**
- 110.** a) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. **Remuneration of Directors**
- b) The remuneration payable to the Directors, including any managing or whole-time Director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act. **Determination of Remuneration**
- c) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses incurred by them— **Travelling and other expenses**
- i. in attending and returning from meetings of the Board or any committee thereof or General Meetings of the Company; or
- ii. in connection with the business of the Company.

- d) If any Director, being willing shall be called upon to perform extra services, or to make any special exertion for any of the purposes of the Company, the Company in General Meeting or the Board shall, subject as aforesaid, remunerate such Director or where there is more than one such Director all or such of them together either by a fixed sum or by a percentage of profits or in any other manner as may be determined by the Board and such remuneration may be either in addition to or in substitution for the remuneration above provided. **Remuneration for extra services**
111. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies 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 determine. **Execution of negotiable instruments**
112. Notwithstanding anything to the contrary contained in these Articles, if the terms of agreement provide, so long as any moneys remain owing by the Company to the Company/financial Institutions which has obtained a certificate of registration under section 3(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 or any other Financial institution as may be notified under section 4A of the Finance Corporation or Credit Corporation or to any other Financing Company or body (hereinafter referred to as 'Lenders') out of any loans granted by them to the Company or so long as they continue to hold debentures in the Company by direct subscription or private placement, or so long as the Lenders holds shares in the Company as a result of underwriting or so long as any liability of the Company arising out of any guarantee furnished by the Lenders on behalf of the Company remains outstanding, the Lenders shall have a right to appoint from time to time, any person or persons as Director(s), Whole-time or Non-Whole time, (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s, provided such right ensues from a specific agreement executed by the Company. **Nominee Director**

The Board of the Company shall have no power to remove from office the Nominee Director/s. Subject as aforesaid, the

Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys owing by the Company to the Lenders or so long as the Lenders hold debentures in the Company as a result of direct subscription or private placement or so long as the Lenders holds shares in the Company as a result of underwriting or the liability of the Company arising out of any guarantee is outstanding and Nominee Director/s so appointed shall ipso facto vacate such office immediately the moneys owing by the Company to the Lenders is paid off or of the Lenders ceasing to hold Debenture/shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Lenders.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director/s shall accrue to the Lenders and shall accordingly be paid by the Company directly to the Lenders. Any expenses that may be incurred by the Lenders or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Lenders or as the case may be to such Nominee Director/s.

Provided also that in the event of the Nominee Director/s being appointed as whole-time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Lenders and have such rights as are usually exercised or available to a Whole-time Director, in the management of the affairs of the Borrower. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.

- 113.** Any Trust deed for securing debentures may if so arranged provide for the appointment from time to time by the Trustees thereof or by the holders of debentures of a person to be a Director of the Company and may empower such Trustees or holders of debentures or debenture stock from time to time to remove any Director so appointed. A Director so appointed under this Article, is herein referred to as 'Debenture Director' and the term Debenture Director means a Director for the time being in office under this Article. *Such Director shall have all the rights and privileges of an ordinary Director of the Company, except in so far as is otherwise provided for herein or by the Trust Deed securing the-Debentures or the deed creating the mortgage, as the case may be.* The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained. **Debenture Director**
- 114.** a) Subject to the provisions of the Act, 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 including additional director shall not at any time exceed the maximum strength fixed for the Board by the Articles. **Appointment of additional Directors**
- b) 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. **Duration of office of additional Director**
- 115.** a) The Board may appoint an alternate Director to act for a Director (hereinafter in this Article called "the "Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate Director for an independent Director unless he is qualified to be appointed as an independent Director under the provisions of the Act. **Appointment of alternate Director**
- b) An alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. **Duration of office of alternate Director**
- c) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring Directors in default of another appointment shall **Re-appointment provisions**

apply to the Original Director and not to the alternate Director. **applicable to Original Director**

- 116.** a) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board at its meeting. **Appointment of Director to fill a casual vacancy**
- b) The Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated. **Duration of office of Director appointed to fill casual vacancy**

POWERS OF BOARD

- 117.** a) Subject to the provisions of the Act and these Articles the Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do. **General powers of the Company vested in Board**
- Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act, or in the memorandum of association or Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting.
- Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under the Act or by the memorandum of association or Articles of the Company or otherwise, to be exercised or done by the Company in General Meeting.
- No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- b) Without prejudice to the general and other powers conferred by these Articles but subject however to the provisions of the Act & the restrictions imposed by the provisions of the Act and other applicable laws, it is hereby expressly declared that the Board shall have the following powers:- **Specific Powers to Board**
- i. to purchase or otherwise acquire any lands, buildings,

- machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock Company carrying on any business which the Company is authorised to carry on in any part of India;
- ii. to purchase, take on lease, for any term or terms, or otherwise acquire any factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent, and subject to such terms and conditions as the Board may think fit; and in any purchase lease or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory and to appoint an occupier within the meaning of the Factories Act;
 - iii. to sell from time to time any articles, materials, machinery, plant, stores and other articles and things belonging to the Company as the Directors may think proper;
 - iv. to remove all or any of the machinery, plant and other movable property of the Company for the time being in or upon lands, buildings, or premises of the Company to other lands, buildings, or premises;
 - v. At their discretion to pay for any property right or privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company or its uncalled capital or not so charged;
 - vi. to make advances and loans without any security, or on such security as they may think proper and to take security for already existing debts, and otherwise to invest and deal with any of the moneys of the Company not immediately required for the purpose thereof in Government or Municipal securities, fixed deposits in banks and in such other manner as they may think fit and from time to time vary or realise such investments, and for the purpose aforesaid to authorise such persons within limits to be fixed from time to time by the Board.
 - vii. to secure the fulfillment of any contracts or engagements entered in to by the Company by mortgage or charge of all or any of the property of the

- Company and its unpaid capital for the time being or in such manner as they may think fit;
- viii. to accept from any member so far as may be permissible by law, surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
 - ix. to appoint any person or persons (whether incorporated or not incorporated) to accept and hold in trust for the Company, any property belonging to the Company, or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustees;
 - x. to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound or allow time for payment or satisfaction of any debts due and of claims or demands by or against the Company to arbitration and observe and perform any awards made thereon.
 - xi. to act on behalf of the Company in all matters relating to bankrupts and insolvents.
 - xii. to make and give receipts, releases and other discharges for moneys or properties payable or transferred to the Company and for the claims and demands of the Company.
 - xiii. to invest and deal with any moneys of the Company not immediately required for purpose thereof upon such security or without security and in such manner as the Board may think fit and from time to time to vary such investments.
 - xiv. to open current overdraft, cash credit and fixed deposit accounts with any bank, company, firm or individual and to operate thereon, whether in India or outside;
 - xv. to execute in the name and on behalf of the Company in favour of any Director or other person who may incur, or be about to incur, any personal liability whether as principal or surety for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
 - xvi. to determine from time to time who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to

- give the necessary authority for such purposes;
- xvii. to give any officer or other person employed by the Company a commission on the profits of any particular business or transaction and such commission shall be treated as part of the working expenses of the Company;
 - xviii. to establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds, for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or service of the Company, or if any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependents of any such persons, and also establish and subsidise and subscribe to any institution, associations, clubs or funds calculated to be for the benefit of or to advance the interests and wellbeing of the Company or of any such other Company as aforesaid, and make payment to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid;
 - xix. To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children, or dependents that may appear to the Board just or proper, whether such employee or his widow, children or dependents have or have not a legal claim upon the Company;
 - xx. To contribute to Charitable and other funds and make political contributions
 - xxi. To carry out activities, directly or indirectly, those are specified in Schedule VII of the Act, and for this purpose expend / incur the monies of the Company, and all monies so expended or incurred for this purpose shall also be construed to be for the purpose of the Company's business.
 - xxii. Before recommending any dividend, to set aside such portion of the profits of the Company as the Board may think fit, to form a fund to provide for such pension, gratuities or compensation or to create any provident or benefit fund in such manner as the Board

- may deem fit.
- xxiii. Before recommending any dividend, to set aside out of the profit of the Company such sums as the Board may think proper, for depreciation or to be Depreciation Fund, Insurance Fund, Reserve Fund, General Reserve or Sinking Fund, Development Rebate Reserve, Statutory Development Reserve, Reserve or any Special Fund to meet contingencies, or to repay debentures or debenture stock or for special dividends, or for equalising dividends, or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, as the Board may, in their absolute discretion think conducive to the interest of the Company with power from time to time to transfer moneys standing to the credit of one fund or any part thereof to the credit of any other Fund; and to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board, in their absolute discretion, think conducive to the interest of the Company and to divide the Reserve Fund into such special funds as the Board may think fit, and to employ the assets constituting all or any of the above funds including Depreciation Fund, in the business of the Company or in the purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets. If the assets constituting any of the above funds are employed in the business of the Company, the Board may pay or allow to the credit of such funds interest at such rate as the Board may think proper;
- xxiv. To appoint and at their discretion remove or suspend such managers, secretaries, officers, technicians, clerks, agents and servants, for permanent, temporary or special services as the Board may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments, and to require security in such instances and for such amounts as it may think fit. And also without prejudice as aforesaid from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner

- as the Board may think fit;
- xxv. From time to time and at any time to establish Local Board for managing any of the affairs of the Company in any specified locality in India or out of India, to appoint any person to be members of such Local Board and to fix their remuneration and at any time and from time to time to delegate subject to the provisions of the Act to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their powers to make calls and to issue debentures and to authorise the members for the time being of any such Local Board or any of them, to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions and restrictions as the Board may think fit and the Board may at any time remove any person so appointed and may annul and vary any such delegation
- xxvi. At any time and from time to time, by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subjects to such conditions as the Board may from time to time think fit and any such appointment may, if the Board think fit, be made in favour of the members, or any of the members of any Local Board established as aforesaid or in favour of any Company or the member, Board, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of person, whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- xxvii. For or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter in to all such negotiations and contracts, and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;

- xxviii. To insure and keep insured against all risks including risks relating to loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or co-jointly as also all or any part of the goods, produce, machinery and other articles imported or exported by the Company, risks relating to loss of profit and standing charges, risks relating to retrenchment compensation and lay-off liabilities and risks of accidents of all the employees of the Company and to sell, assign surrender or discontinue any policies of assurance effected in pursuance of this power;
- xxix. Subject to hereinabove provided to subscribe or contribute or authorise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes or for any exhibition.
- xxx. To authorise the issue of securities (including depository receipts), whether convertible to shares or not, as per applicable laws, either as a primary issue or a secondary offering.

- c) Subject to restrictions provided in the Act, the Board may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys maybe secured in such manner and upon such terms and conditions in all respects as the Board may think fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company (both present and future), or by such other means as to them may seem expedient. **Borrowing Powers**

- 118.** Save as provided by the Act or by these Articles and subject to the restrictions imposed by the Act, the Board may delegate all or any of its powers as conferred by the said Act or by the Memorandum of Association or by these Articles reposed in them. **Power to delegate**

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| 119. | Debentures, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. | Securities may be assignable free from equities |
| 120. | If any uncalled capital of the Company is included in or charged by any mortgage or other security the Board may, by instrument under the Company's Seal, authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls, shall <i>mutatis mutandis</i> , apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Board powers or otherwise and shall be assignable if expressed so to be. | Mortgage of uncalled capital |

PROCEEDINGS OF THE BOARD

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| 121. | The Directors may meet together as a Board for the conduct of business from time to time. The Board may adjourn and otherwise regulate their meetings as they think fit. | When meeting to be convened |
| 122. | A Director may, and Manager or Chief Financial Officer or company secretary or any other person so authorised by the Board on the requisition of a Director, shall at any time, summon a meeting of the Board. | Who may summon Board meeting |
| 123. | a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. | Board to elect a Chairperson |
| | b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose amongst themselves a Director to be Chairperson of the meeting. | Directors present to elect a Chairperson |
| 124. | a) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means or any other means, as may be prescribed by the Act. | Participation at Board meetings |
| | b) Every Director present at any meeting of the Board or of a Committee thereof shall sign his/her name in a book to be kept for that purpose. | Attendance at the meeting |

- c) The quorum for a Board meeting shall be 1/3rd of the total strength or two Directors whichever is higher or as provided in the Act. **Quorum for Board meetings**
- d) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes of Directors present. **Questions at Board meeting how decided**
- e) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. **Casting vote**
- 125.** The continuing Directors may act notwithstanding any vacancy in the Board, so long as their number is not reduced below the quorum fixed by the Act for a meeting of the Board. In the event the number of continuing Directors is reduced below the quorum fixed by the Act for a meeting of the Board, the Directors may act for the purpose of increasing the number of Directors to that fixed for a quorum or of summoning a General Meeting and for no other purpose. **Directors not to act when number falls below minimum**
- 126.** a) 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. **Board may delegate its powers to Committee**
- b) 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. **Committee to conform to Board regulations**
- c) The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or other audio visual means, or any other means as may be prescribed by the Act. **Participation at Committee meetings**
- 127.** a) A Committee may elect a Chairperson of its meetings. **Chairperson of Committee**
- b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of themselves to be Chairperson of the meeting. **Who to preside at meetings of Committee**

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| 128. | a) | A Committee may meet and adjourn as it thinks fit. | When
Committee to
meet |
| | b) | Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present. | Questions at
Committee
meeting how
decided |
| | c) | In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote. | Casting vote
of
Chairperson
at Committee
meeting |
| 129. | | All acts done in 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 or that his or their appointment had terminated, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director. | Acts of Board
or Committee
valid
notwithstandi
ng defect of
appointment |
| | | Provided that nothing herein contained shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. | |
| 130. | | Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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 valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held. | Passing of
resolution by
circulation |
| 131. | | The Board shall cause the Board and the Committee minutes to be duly entered in a book provided for the purpose in accordance with the provisions of the Act. | Minutes of
proceedings of
the Board and
the
Committee |

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

- 132.** Subject to the provisions of the Act,—
A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board either for a fixed term or without limitation as to the period for which he shall hold such office, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board. The Board may appoint one or more chief executive officers for its multiple businesses.
- Chief Executive Officer, Manager, etc.**
- 133.** a) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- Director may be Chief Executive Officer, etc.**
- b) The Board may from time to time subject to the provisions of the Act entrust to or confer upon the chief executive officer, manager, company secretary and chief financial officer for the time being such of the powers exercisable by him under these Articles or by law, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- Power to delegate**

MANAGING DIRECTORS/WHOLE TIME DIRECTORS

- 134.** Subject to the provisions of the Act, the Board may from time to time appoint one or more of its Directors as Managing Director(s), Whole-time Director of the Company either for a fixed term or without any limitation as to the period for which he/they is/are to hold such office but in any case not exceeding the time limit prescribed in the Act and may from time to time remove or dismiss him/them from office and appoint another/others in his/ their place.
- Power to appoint Managing Director**
- 135.** The remuneration of a Managing Director and Whole-time Director shall from time to time be determined by the Board and may be paid by way of salary or commission or participating in profits or by way of any or all of those modes or in any other mode and shall be subject to the
- Remuneration of Managing Director and Whole –time Director**

limitations prescribed in the Act.

136. a) Subject to the general supervision control and direction of the Board and subject as hereinabove provided the Managing Director and/or Whole-time Director and/or Manager shall have the power to conduct and manage the business and affairs of the Company and shall have power and authority on behalf of the Company to acquire any properties, rights and privileges and to make all purchases and sales and to enter into all contracts and execute all agreements or other documents and to do all other acts and things usual, necessary or desirable in the management of the affairs of the Company or in carrying out its objects; and shall have power to institute, conduct, defend, compromise, refer to arbitration and abandon legal and other proceedings, claims and disputes in which the Company is concerned and shall have power to appoint and employ in or for the purpose of the transaction and management of the affairs and business of the Company or otherwise for the purposes thereof such managers, experts, secretaries, chemists, technicians, engineers, brokers, lawyers, clerks, workmen, servants and other employees as they shall think proper with such powers and duties and upon such terms as to duration of office, remuneration or otherwise as they shall think fit and from time to time to remove and suspend them or any of them and generally to appoint and employ any person or persons in the services or for the purposes of the Company as they shall think fit upon such terms and conditions as they shall think proper.
- b) The Board may from time to time entrust to and confer upon a Managing Director or Whole time Director or Manager for the time being such of the powers exercisable by the Board under these Articles or by law, as it may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as its thinks expedient, and it may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of its powers in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers. Unless and until otherwise determined a Managing Director may exercise all the powers exercisable by the Board, save such powers as by the Act or by these Articles shall be exercisable by the Board itself.
- c) The Managing Director and/or Whole-time Director and/or

**Authority of
Managing
Director
and/or Whole-
time Director
and/or
Manager**

**Board may
delegate
powers to
Managing
Director /
Whole-time
Director /
Manager**

Managing

Manager shall have power to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them and in particular from time to time to provide by the appointment of any attorney or attorneys for the management of any part of the affairs of the Company in such manner as they may think fit.

Director and/or Whole-time and/or Manager Directors to have power to sub-delegate

DOCUMENTS AND NOTICES

- 137.** It shall be imperative on every member to notify to the Company for registration, his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him.

Members to notify address for registration

A member may notify his email address if any, to which the notices and other documents of the Company shall be served on him by electronic mode. The Company's obligation shall be satisfied when it transmits the email and the Company shall not be responsible for failure in transmission beyond its control.

- 138.** Subject to the provisions of the Act, a document or notice may be served or given by the Company on any member thereof personally or electronically or by sending it by post (including registered post and speed post) or by courier to him at his registered address or (if he has no registered address in India) to the address, if any, in India provided by him to the Company for serving documents or notices on him. The term courier means person or agency who or which delivers the document and provides proof of its delivery.

Service of documents or notices on the members of the Company

Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the documents or notice, provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and, such service shall be deemed to have been effected in case of a notice of a Meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would

be delivered in the ordinary course of post.

- 139.** Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles shall be sufficiently given, if given by advertisement, once in English and once in a vernacular daily newspaper circulating in the city, town or village in which the Office of the Company is situated. **Notice by Advertisement**
- 140.** A document or notice may be served or given by the Company on or to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holder named first in the Register in respect of the Share. **Service of documents or notices on Joint-holders**
- 141.** Any notice or document served in the manner hereinbefore provided shall notwithstanding such member be then dead and whether or not the Company has notice of his death, be deemed to have been duly served respecting any share, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these Articles be deemed a sufficient service of such notice or documents on his heirs, Executors, Administrators and all persons (if any) jointly interested with him in any such shares. **Service of notice notwithstanding death of Member**
- 142.** a) Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register, shall have been duly served on or given to the person from whom he derives his title to such Share. **Members bound by documents or notices served on or given to previous holders**
- b) Any document or notice to be served or given by the Company may be signed (including digitally) by a Director or some person duly authorised by the Board for such purposes and the signature thereto may be written, facsimiled, printed, lithographed or photostated. **Document or notice by Company and signature thereto**
- 143.** A document or notice may be served by a member on or given to the Company or an Officer thereof by sending it to the Company or Officer at the Office of the Company by post under a certificate of posting or by registered post, or by leaving it at the Office of the Company or by means of such electronic mode or other mode as may be specified in the Act. **Service of Document or notice by member**

144. Where the Securities are held in Depository, the records of the Beneficial Ownership may be served by such Depositories on the Company by means of Electronic Mode or by delivery of Depository Floppy or Disks. **Service of Document or notice by Depository**

REGISTERS

145. The Company shall keep and maintain at its Office all statutory registers including, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of Beneficial Owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, except Saturdays, at the Office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act. **Statutory registers**
146. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit with respect to the keeping of any such register. **Foreign Register**

The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the register of members.

SEAL

147. Subject to the provisions of the Act, the Board shall provide a Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for the time being and it shall not be used except by the authority of the Board or a Committee thereof and in the presence of any one of the Directors or the Secretary or Chief Financial Officer or such other person as may be authorised by the Board, who shall sign every instrument or deeds to which the Common Seal is affixed. **The Seal, its custody and use**

DIVIDEND AND RESERVES

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| 148. | a) | The Company in General Meeting may declare dividend, but no dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser dividend. | Company in General Meeting may declare dividend |
| | b) | Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividend as appears to it to be justified by the profits of the Company subject to the requirements of the Act. | Interim dividend |
| 149. | a) | The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve which shall, at the discretion of the Board, be applied 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. | Dividend only to be paid out of profits |
| | b) | The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. | Carry forward of profits |
| | c) | The declaration of the Boards to the amount of the net profits of the Company shall be conclusive. | Declaration of Board as to net profit conclusive |
| 150. | | Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividend 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, dividend may be declared and paid according to the amounts of the shares. | Division of profits |
| 151. | | 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. | Notice of dividend |
| 152. | | Dividend may be paid by electronic mode / cheque / warrant | Dividend how |

sent through the post directly to the registered address of the holder or any other permissible means, 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. **remitted**

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

- 153.** The Board may, if they think fit, call upon the members, when applying for dividend, to produce their share certificates to such person authorized by them in that behalf. **Production of share certificate when applying for dividend**
- 154.** Any one of two or more joint holders of a share may give effective receipts for any dividend, bonuses or other monies payable in respect of such share. **Receipt of one holder sufficient**
- 155.** No member shall be entitled to receive payment of any dividend in respect of any share on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person, in respect of such share, or on any other account whatsoever, remains unpaid, and the Board may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid. **No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom**
- 156.** The Board may retain dividend payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares. **Retention of dividend**
- 157.** No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. **No dividend on payments in advance**
- 158.** No dividend shall bear interest against the Company. **No interest on dividend**
- 159.** The waiver in whole or in part of any dividend on any share **Waiver of**

- by any document (whether or not under Seal) shall be **dividend** effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
- 160.** Any General Meeting declaring a dividend may make a call on the member of such amount as the Meeting fixes but so that the call on each member shall not exceed the dividend payable to him and so that the call may be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the member, be set off against the call. **Calls & Dividend**
- 161.** A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer. **Effect of transfer**
- 162.** As regards all dividend unpaid or unclaimed the Company shall comply with the provisions of the Act. **Unpaid or Unclaimed dividend**

ACCOUNTS

- 163.**
- i. The Board shall keep or cause to be kept at the Office of the Company or at such place in India as it thinks fit, proper books of accounts in respect of:
- all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;
 - all sales and purchase of goods by the Company; and
 - the assets and liabilities of the Company
 - the items of cost, if any- as specified in the Act.
- ii. Proper books of account shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each such branch office at the Office of the Company or the other place referred to in (i) above.
- iii. The books of account referred to in (i) and (ii) above shall be such books as are necessary to give a true and fair view of the state of affairs of the Company or such branch office and to explain its transaction. **Accounts**

- iv. The books of accounts and other Books and Papers shall be open to inspection by any Director during business hours on all working days.
 - v. The Board shall comply in all respects with the provisions of the Act.
- 164.**
- i. 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 kept open for the inspection by the members not being Director. **Inspection by members when allowed**
 - ii. No member (not being a Director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.
- 165.**
- a) Subject to provisions of the Act, at every annual General Meeting of the Company, the Board shall lay before the Company Financial Statements for each financial year. **Financial Statements to be laid before the Member**
 - b) The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account. **Contents of Financial Statements**
- Financial Statements shall comply with the provisions of all applicable laws.
- c) The Financial Statements shall be signed in accordance with the provisions of the Act. **Financial Statements how to be signed**
- The Board shall make out and attach to every Balance Sheet laid before the Company in General Meeting a Report of the Board which shall comply with the requirements of the Act and shall be signed in the manner provided in the Act.

WINDING UP

- 166.** Subject to the applicable provisions of the Act – **Winding up of Company**
- i. If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction 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.

- ii. 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.
- iii. 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 if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND INSURANCE

- 167.**
- i. Subject to the provisions of the Act and other applicable laws, every Director, managing Director, whole-time Director, manager, chief financial officer, company secretary and any other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, chief financial officer, company secretary and any other officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, manager, chief financial officer, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
 - ii. Subject as aforesaid, every Director, managing director, manager, chief financial officer, company secretary or other officer of the Company shall be indemnified 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 discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
- 168.**
- Subject to the provisions of the Act and other applicable laws, the Company may take and maintain any insurance as

Directors' and officers' right to indemnity

Insurance

the Board may think fit on behalf of its present and/or former Directors, officers and such other persons as may be permitted by law for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted in good faith.

GENERAL POWER

- 169.** Wherever in the Act or other applicable laws, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. **General Power**

SECURITY CLAUSE

- 170.** No Member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to require discovery of any information in respect of any detail of the Company's working, trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board would be inexpedient in the interest of the Company to disclose without the prior written permission of the Directors, Chief Financial Officer or Company Secretary or such other senior person, as may be authorised for such purpose. **Secrecy Clause**

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

Sr. No.	Names, addresses, descriptions, occupation and signature of subscribers	Signature, name, address, description and occupation of the witness
1.	<p style="text-align: center;">Sudhir Mehta S/o Uttamlal Mehta 'AKALPYA', Nr. Karnavati Club, S. G. Highway, Ahmedabad - 380 054</p> <p style="text-align: center;">Industrialist Sd/- Sudhir Mehta</p>	<p style="text-align: center;">Common witness for Both Subscribers</p> <p style="text-align: center;">Jayesh Desai S/o. Narendra Desai Torrent House, Off. Ashram Road, Ahmedabad - 380 009</p>
2.	<p style="text-align: center;">Samir Mehta S/o. Uttamlal Mehta 'AKALPYA', Nr. Karnavati Club, S. G. Highway, Ahmedabad - 380 054</p> <p style="text-align: center;">Industrialist Sd/- Samir Mehta</p>	<p style="text-align: center;">Chartered Accountants MEM. NO. 33795 Sd/- Jayesh Desai</p>

Place : **Ahmedabad**

Dated this **26th** day of **April, 2004.**