

September 08, 2020

To  
The Manager  
BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

**Ref: Scrip Code: 522152**

Dear Sir

**Sub: Disclosure of events or information – Amendment in Memorandum and Articles of Association**

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Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform the exchange that the Company has adopted Memorandum and Articles of Association as per Companies Act 2013 in its Annual general meeting held on Monday, 07<sup>th</sup> September 2020. Please find attached the new MOA-AOA copy for your reference. The same has been updated on the website of the Company as well.

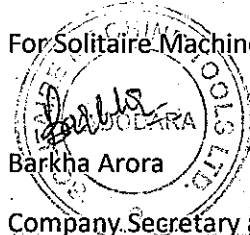
Delay in filing the disclosure is due to the technical issues we were facing with our Internet Facility. The delay is inadvertent and not deliberate.

Kindly take the above information in your record.

Thanking you,

Yours faithfully,

For Solitaire Machine Tools Limited



Barkha Arora

Company Secretary and Compliance Officer

CIN No. L28932MH1967PLC013747

Office : 3/A, Arun Chambers, Tardeo Rd., Mumbai-400 034. INDIA. Tel.: 022-66602156

Reply to : Plant I : 292, Dharamsinh Desai Marg, Chhani Road, Vadodara-390 024. INDIA Mob. : 99044 08538 E-mail: sales@smtgrinders.com

Plant II : A-24/25, Krishna Industrial Estate, Near B.I.D.C., Gorwa, Vadodara - 390 016. E-mail: smtigorwa@gmail.com

Website : www.smtgrinders.com

No. 12939

CERTIFICATE OF CHANGE OF NAME  
IN THE OFFICE OF THE REGISTRAR OF COMPANIES  
UNDER THE COMPANIES ACT, 1956

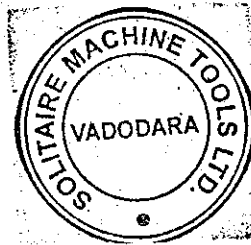
In the matter of **SOLITAIRE MACHINE TOOLS PRIVATE LIMITED**  
I do hereby certify that pursuant to the provisions of section  
23 of Companies Act, 1956 and the special Resolution passed by  
the Company at its Annual/Extra-ordinary General Meeting on  
the 2.4.1992.

The name of **SOLITAIRE MACHINE TOOLS PRIVATE LIMITED** has  
this day been changed to **SOLITAIRE MACHINE TOOLS LIMITED**

and that the said company has been duly incorporated as a company  
under the provisions of the said act. Dated this THIRTIETH day of  
APRIL One thousand nine hundred and ninety Two.

sd/-  
(S.W. GAWADE)

Asstt. Register of Companies  
Maharashtra, Bombay.



SOLITAIRE MACHINE TOOLS LTD.

  
DIRECTOR

NO. 13747/TA

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME.

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
BOMBAY.

In the matter of \* ACE TOOLS PRIVATE LIMITED

I hereby approve and signify in writing under section 21 of the Companies Act, 1956 (Act I of 1956) read with the Government of India, Department of Company Affairs Notification No.G.S.R. 507E dated the 24th June 1985 the change of name of the Company from ACE TOOLS PRIVATE LIMITED.

to SOLITAIRE MACHINE TOOLS PRIVATE LIMITED

and I hereby certify that ACE TOOLS PRIVATE LIMITED which was originally incorporation on TWENTY FOURTH day of JUNE 1967 under the \*\* COMPANIES Act, 1956 and under the name ACE TOOLS PRIVATE LIMITED.

having duly passed the necessary resolution in terms of section 21/22(1)(a)/22(1)(b) of the Companies Act 1956 the name of the said company is this day changed to SOLITAIRE MACHINE TOOLS PRIVATE LIMITED and this certificate is issued pursuant to section 23(1) of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS SECOND DAY OF  
of MAY 1986 (One thousand Nine Hundred Eighty Six).



Sd/-  
(V. GOVINDAN)

REGISTRAR OF COMPANIES  
MAHARASHTRA, BOMBAY



प्रारूप० आई० आर०

Form I. R.

निगमन का प्रमाणपत्र

CERTIFICATE OF INCORPORATION

ता० \_\_\_\_\_ का सं० \_\_\_\_\_  
No. 13747 of 1967-68

मैं एतद्वारा प्रमाणित करता हूँ कि आज \_\_\_\_\_

कम्पनी अधिनियम 1956 ( 1956 का 1 ) के अधीन नियमित की गई है और यह कम्पनी परिसीमित है ।

I hereby certify that ACE TOOLS PRIVATE LIMITED

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

मेरे हस्ताक्षर से आज ता० \_\_\_\_\_ को दिया गया ।

Given under my hand at BOMBAY this TWENTY FOURTH  
day of MAY One thousand nine hundred and SIXTY-SEVEN.  
(3rd. Jyaistha 1889-Saka).



Sd/-  
(R.R. KINI)  
कम्पनियों का रजिस्ट्रार  
Registrar of Companies  
MAHARASHTRA

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

**MEMORANDUM OF ASSOCIATION**

**OF**

**SOLITAIRE MACHINE TOOLS LIMITED**

- I. The name of the Company is SOLITAIRE MACHINE TOOLS LIMITED.
- II. The Registered office of the Company will be situated in the state of MAHARASHTRA.
- III. The Objects for which the Company is established are as follows, and these will extent to all parts of India:

(A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

1. To carry on the business as manufacturers, importers, exporters, distributors, agents and dealers of machine tool ancillary products and in particular precision holding tool components thereof and all parts and equipments, accessory thereto and all other materials, equipments, apparatus and stores used therewith or in relation thereto and to design, manufacture, assemble, contract for, buy, sell, let-out on hire, repair and generally dealing standard and special purpose machine tools accessories such as chucks, lead screw, collets, arbors, jigs, fixtures, clamps, dies, centers, clamp tip tools, vises, bushings, gages, power clamping systems, wear plates and allied accessories.

2. To purchase, takeover or otherwise acquire or undertake the whole or any part of business in respect of all or any kind of materials, goods and articles mentioned above.
3. To carry on the business of importers, exporters, manufacturers, distributors and dealers in automobiles Parts and accessories, radios, electrical goods, accessories and spare parts and allied lines.
4. To carry on the business of importers and exporters, dealers in and stockists of all kinds of iron, steel, products, hardware, tin plates, electric goods and appliances, machinery, tools, etc. and generally, to do business as manufacturers, stockists, commission agents and brokers, (in any every commodity merchandise or article which in the opinion of the Directors can be conveniently dealt in and carries on by the Company).
5. To acquire by purchase, contract, concession, license, lease or otherwise, any land, mines, quarries, buildings, factories, workshops, godowns for raising for sale and for manufacturing purposes for the benefit of the business of the Company.

(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE: -

1. To enter into any agreement with any Government or authorities supreme, Municipal, Port Trust, Railways, District Local Boards, Civil and Military authorities or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such governments or authorities any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
2. Generally to purchase, take on lease, in exchange hire or otherwise acquire any immovable or movable property and any rights or privileges which the company may think necessary, or convenient with reference to any of these objects and capable of being profitably dealt with in connection with any of the Company's property or rights for the time being.
3. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any person corporation or companies

for carrying on business which this Company is authorized to carry on or is possessed of property suitable for the purposes of this Company.

4. To remunerate Directors, Managing Directors, staff and employees of the company and others, out of, or in proportion to the returns of profits of the Company or in such other manner as the Company may deem fit.
5. To enter into partnership or into any arrangement for sharing profits, amalgamation, union of interests, reciprocal concessions, co-operation or joint-adventure, with any person, firm or company carrying on, engaged in carrying on or about to carry on or engage in any business or transaction which this company is authorized to carry on or engaged in business or transaction capable of being conducted so as directly or indirectly to benefit this company and to take or otherwise acquire and hold shares, stocks or securities of any other company and to sell hold, re-issue with or without guarantee or otherwise deal with such shares or securities.
6. To lend money, either with or without security and generally to such persons as have got dealings with the company and upon such terms and conditions as the company may think fit. The Company shall not do any Banking Business.
7. To apply for, purchase or otherwise acquire any patents, inventions, licenses, concessions and the like conferring any exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired.
8. To sell or dispose of the undertaking of the Company or any part thereof at such time and for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company having objects, altogether or in part similar to those of this Company.
9. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising over in the press, by circulars, bills, posters etc. or by purchase and exhibition or works of art or interest by publication of books and periodicals and by granting prizes, rewards and donations.

10. To promote any company or companies for the purposes of acquiring all or any of the property, rights and liabilities of this company or any other purpose which may seem directly or indirectly calculated to benefit this Company.
11. To borrow or raise or secure the payment of money from any Govt. Semi-Govt. or other financial institutions or Banks or from any other source in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stocks, perpetual or otherwise charged upon all or any of the Company's property (both present and future), including its uncalled capital and to purchase, redeem and pay off any securities.
12. To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
13. To draw, make, accept, discount, execute and issue Bills of exchange, promissory notes, Government Promissory Notes, and Securities of all kinds and descriptions, Bills of Lading, Warrants, Debentures and other negotiable or transferable instruments and securities.
14. To sell, improve, manage, develop, exchange, lease mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company.
15. To appoint agents and constitute agencies of the Company in India and elsewhere.
16. To pay all or any costs, charges and expenses preliminary and incidental, to the promotion, formation and registration of the Company and to pay the salary, wages and other expenses for the establishment of the company and to remunerate any person which the Directors may deem fit.
17. To do all or any of the above things in any part of the world as principals, contractors, sub-contractors, trustees or otherwise and by and through trustees agents or otherwise and either alone or in conjunction with others and to do all such things as are incidental or conducive to the attainment of the above objects or any of them.



18. To grant pensions, allowances, gratuities and bonuses to officers, agents, employees or ex-employees of the company, its predecessors in business or the dependents of such employees.
19. To support, subscribe or contribute from time to time to any charitable, benevolent or useful object of a public or private character or to political parties to grant stipends and scholarships for studies in India and abroad and to establish support or aid in the establishment and support or Associations, Institutions, Clubs, Societies, Funds, Trusts and conveniences to provident, pension, loan or other funds for the benefit of the officers, agents, staff, employees and ex-employees of the Company.
20. To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

IV. THE LIABILITY OF THE MEMBERS IS LIMITED

- V. The Authorised Share Capital of the Company is Rs. 5,75,00,000/- (Rupees Five Crores Seventy five lacs), divided into 57,50,000 Equity Shares of Rs. 10/- (Rupees Ten each).

We, the several persons whose names, address and descriptions hereunder subscribed below are desirous of being formed into a Company in pursuance of these MEMORANDUM OF ASSOCIATION and we respectively agree to take the number of shares in the capital of the company set opposite to our respective names :

Name, Address, Descriptions and occupation of each subscriber	Number of Equity shares taken by each subscriber	Signature	Signature, Names, Addresses, descriptions & occupation of the Witness
<p>Ramnikal Nyalchand shah son of Nyalchand H. Shah 12, Ram Nivas, Plot 226/227. Sion (East), Bombay- 400 022. ----Merchant</p>	<p>1 One equity</p>	<p>Sd/-</p>	<p>Sd/-  CHHOTALAL NIMCHAND SANGHAVI SON OF NIMCHAND SANGHAVI MANI BHUVAN, 1<sup>ST</sup> FLOOR, 9-11, SADASHAIV LANE, BOMBAY- 400004.</p>
<p>Dhirajlal Tarachand Shah son of Tarachand Harakchand Shah 228, Parekh Building, sion (East), Bombay-400022. ---Merchant</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Kantilal Nyalchand Shah Son of Nyalchand H. Shah Plot No. 209, E Sion. Matunga Road, Sion (East) Bombay-400022. ----Merchant</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Prafull Jivrajbhai Sheth Son of Jivrajbhai Sheth 50, Mount Unique, 62-A, Peddar Road, Bombay-400026. ----Engineer</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Chandrakant Nandlal Kothari Son of Nandlal Keshavji Kothari Sagar Darshan, 81/83, B. Desai road, Bombay- 400001 ---Engineer</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Total</p>	<p>5 Five Equity</p>		

Bombay, dated 20<sup>th</sup> May, 1967

**THE COMPANIES ACT, 2013**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**SOLITAIRE MACHINE TOOLS LIMITED**

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**I. CONSTITUTION OF THE COMPANY**

1. The regulations contained in Table “F” in the First Schedule of the Companies Act, 2013, shall not apply to this Company except so far as the said Act or any modification thereof expressly provides otherwise.
2. The regulation for the Management of the Company and for the observance of the members thereof and their representative shall subject to any exercise of statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution, as prescribed by the Companies Act, 2013 (18 of 2013), be such as are contained in these Articles.

**II. INTERPRETATION**

3. (a) In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:
  - (i) **Act**  
The “Act” or The “said Act” mean the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.
  - (ii) **Annual General Meeting**  
“Annual General Meeting” means a General Meeting of the members held in accordance with the provisions of Section 96 of the Act.
  - (iii) **Articles or Articles of Association**  
“Articles or Articles of Association” mean Articles of Association for the time being or as altered from time to time by Special Resolution.

- (iv) Auditors**  
“Auditors” means and includes those persons appointed as such for the time being of the Company.
- (v) Board**  
“Board” or “Board of Directors” means the Board of Directors of the Company or the Directors of the Company collectively.
- (vi) Capital**  
“Capital” means the share capital for the time being raised or authorised to be raised for the purpose of the Company.
- (vii) Chairman**  
“Chairman” means the Chairman of the Board of Directors for the time being of the Company.
- (viii) Charge**  
“Charge” means an interest or lien created on the property or assets of a company or any of its undertakings or both as security and includes a mortgage.
- (ix) Chief executive officer**  
“Chief executive officer” means Chief Executive Officer of a company appointed by the Board of Directors of a company from time to time.
- (x) Chief Financial Officer**  
“Chief Financial Officer” means a Chief Financial Officer of a Company appointed by the Board of Directors of a company from time to time.
- (xi) Committee**  
“Committee” means committee of the Board of Directors.
- (xii) Company**  
The “Company” means the Company above named.
- (xiii) Company Secretary**  
“Company Secretary” or “Secretary” means a Company Secretary of a company appointed, from time to time, by the board.
- (xiv) Company Secretary in Whole-time Practice**  
“Company Secretary in Whole-time Practice” means a Secretary who is deemed to be in practice within the meaning of sub-section (2) of Section 2 of the Company Secretaries Act, 1980 and who is not in full time employment.
- (xv) Debenture**

“Debenture” includes debenture-stock, bonds and any other instruments of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.

**(xvi) Depository**

“Depository” means depository as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.

**(xvii) Directors**

“Directors” means a director appointed to the Board of the company.

**(xviii) Dividend**

“Dividend” includes any interim dividend.

**(xix) Document**

“Document” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

**(xx) Executor or Administrator**

“Executor” or “Administrator” means a person who has obtained Probate or Letter of Administration, as the case may be from a Court of Competent jurisdiction and shall include holder of a Succession Certificate authorising the holder thereof to negotiate or transfer the share or shares of the deceased member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator Generals Act, 1963.

**(xxi) Extra-ordinary General Meeting**

“Extra-ordinary General Meeting” means an extra ordinary General Meeting of the Members other than Annual General Meeting duly called and constituted and any adjourned holding thereof.

**(xxii) Financial Year**

“Financial Year” has the meaning given to it under Section 2 (41) of the Act.

**(xxiii) Financial Statements**

“Financial Statements” means:

- a) a balance sheet as at the end of the financial year;
- b) a profit and loss account, for the financial year;
- c) cash flow statement for the financial year;
- d) a statement of changes in equity, if applicable; and

- e) any explanatory note annexed to, or forming part of, any document referred to in sub- clause (a) to sub-clause (d).

**(xxiv) In writing or Written**

“In writing” or “Written” shall include email, and any other form of electronic transmission.

**(xxv) Legal Representative**

“Legal Representative” means a person who in law represents the estate of a deceased Member.

**(xxvi) Members**

“Members” means member as defined under section 2 (55) of the Companies Act, 2013.

**(xxvii) Month**

“Month” means a calendar month.

**(xxviii) National Holiday**

“National Holiday” means the day declared as national holiday by the Central Government

**(xxix) Office**

“Office” means the Registered Office for the time being of the Company.

**(xxx) Ordinary Resolution or special resolution**

“Ordinary Resolution or special resolution” means an ordinary resolution or as the case may be, special resolution referred to in section 114 of the Act.

**(xxxi) Paid up share capital**

“Paid up share capital” in relation to shares includes credited as paid up.

**(xxxii) Person**

“Person” means any individual, partnership, association, joint stock company, joint venture corporation, trust, unincorporated organisation or government, or agency or sub-division thereof.

**(xxxiii) Proxy**

“Proxy” means an instrument whereby any person is authorised to attend a meeting and vote for a member at the General Meeting on a poll.

**(xxxiv) Register of Charges**

“Register of Charges” means the register of charges to be kept pursuant to

Section 85 of the Act.

**(xxxv) Registrar**

The “Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.

**(xxxvi) Regulations**

“Regulations” means the regulations for the time being for the management of the Company.

**(xxxvii) Seal**

“Seal” means the Common Seal for the time being of the Company.

**(xxxviii) Shares**

“Shares” means share in the share capital of the Company and includes stock where a distinction between stocks and shares is expressed or implied.

**(xxxix) Share Premium Account**

“Share Premium Account” has the meaning given to it in Article 16.

**(xl) These presents**

“These presents” means and includes the Memorandum and this Articles of Association.

**(xli)** Words importing the singular number include where the context admits or requires the plural number and vice versa.

**(xlii)** The Company shall, on being so required by a Member, send to him the documents as required by him for inspection subject to the payment of such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company in advance.

(b) The subheadings hereto shall not affect the construction or meaning hereof.

(c) Save as aforesaid, any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

### III. CAPITAL AND SHARES

4. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association with power to Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub- division.

If and whenever the capital of the Company is divided into shares of different classes, the Rights of any such class may be varied, modified, affected, extended, abrogated or surrendered as provided by the said Act or by Articles of Association or by the terms of issue, but not further or otherwise.

5. **Application of Provisions of Section 43, 47 of the Act**

The provisions of Section 43, 47 of the Act in so far as the same may be applicable to issue of share capital shall be observed by the Company.

6. **Restriction on allotment and return of allotment**

The Board of Directors shall observe the restrictions to allotment of shares to the public contained in Sections 39 of the Act and Rules framed there under and shall cause to be made the returns as to allotment provided in the said Rules of the Act.

7. **Commission for placing shares**

Subject to the provisions of Section 40 of the Act and rules made thereunder, the Company may at any time pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other.

8. **Company not to give financial assistance for purchase of its own shares**

Except as provided by the Act, the Company shall not, except by reduction of capital under the provision of Sections 66 or Section 242 of the said Act, buy



its own shares nor give, whether directly or indirectly, and whether by means of a loan, guarantee, provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company.

Provided that nothing in this Article shall be taken to prohibit:

- (i) the provision of money in accordance with any scheme approved by the Company through Special Resolution and in accordance with the requirements specified in the relevant Rules, for the purchase of, or subscription for, fully paid up Shares in the Company, if the purchase of, or the subscription for the Shares held by trustees for the benefit of the employees or such Shares held by the employee of the Company;
- (ii) the giving of loans by the Company to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid up Shares in the Company to be held by them by way of beneficial ownership.

Nothing in this Article shall affect the right of the Company to redeem any shares issued under Section 55.

- 9. Notwithstanding what is stated in Clause(i) of Articles 8 above, in the event it is permitted by the Law and subject to such conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, 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.

#### **10. Buy Back of Shares**

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other 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.

#### **11. Issue of Securities at a Premium**

The Company shall have power to issue Securities at a premium and shall duly comply with the provision of Sections 52 of the said Act.

#### **12. Issue of redeemable preference shares**

The Company may, subject to the provisions of Section 55 of the said Act,

issue preference shares which are liable to be redeemed and may redeem such shares in any manner provided in the said section and may issue shares up to the nominal amount of the shares redeemed or to be redeemed. Where the Company has issued redeemable preference shares the provisions of the said section shall be complied with. The manner in which such shares shall be redeemed, shall be as provided by Article 79 unless the terms of issue otherwise provide.

#### **IV. SHARES AND SHAREHOLDERS**

##### **13. Register of Members**

- A. The Company shall cause to be kept and maintained the following registers namely:
- (i) Register of members indicating separately for each class of equity and preference shares held by each member residing in India or outside India;
  - (ii) Register of debenture-holders; and
  - (iii) Register of any other security holders:
  - (iv) Including an index in respect of each of the registers to be maintained in accordance with Section 88 of the Act.
- B. The Company shall also comply with the provisions of Sections 92 of the Act as to filing Annual Returns.
- C. The Company shall duly comply with the provisions of Section 94 of the Act in regard to keeping of the Registers, Indexes, copies of Annual Returns and giving inspection thereof and furnishing copies thereof.

#### **14. Shares at the Disposal of the Directors**

Subject to the provisions of the Act and these Articles, the shares (including any shares forming part of any increased capital of the Company) for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (Subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time, as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

#### **15. Every share transferable etc.**

1. The shares or other interest of any member in the Company shall be movable property transferable in the manner provided by the Articles of the Company.
2. Each share in the Company having a share capital shall be distinguished by its appropriate number.
3. Certificates of Shares:

A certificate under the Seal of the Company specifying any shares held by any Member shall be prima facie evidence of the title of the Member to such shares.

#### **16. Application of premium received on shares.**

1. Where the Company issues shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to an account to be called "The Share Premium Account" and the provisions of the Act, relating to the reduction of the share capital, a Company shall, except as provided in this Article, apply as if the share premium account were the paid up share capital of the Company.
2. The securities premium account may be applied by the Company for the purposes permissible pursuant to the Act.

## **17. Further issue of capital**

The Company shall comply with the provisions of Section 62 of the Act with regard to increasing the subscribed capital of the Company.

## **18. Acceptance of shares**

Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accepts any shares and whose name is therefore placed on the register shall, for the purpose of this Article, be a member. The Directors shall comply with the provisions of Sections 39 and 40 of the Act so far as applicable.

## **19. Deposit and Call to be a debt payable**

The money, if any, which the Board of Directors shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.

## **20. Calls on shares of the same class to be made on uniform basis**

Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares, falling under the same class.

**Explanation:** - For the purpose of this provision shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

## **21. Return of allotment**

The Directors shall cause to be made the returns as to all allotments from time to time made in accordance with the provisions of Section 39 of the said Act.

## **22. Installments on shares to be duly paid**

If, by the conditions of allotment of any shares the whole or part of the

amount or issue price thereof shall be payable by installments, every such installment shall, when, due, be paid to the Company by the person who for the time being and from time to time shall be of the shares or his legal representative.

### **23. Liability of Members**

Every member, or his executors or administrators or other representative, shall pay to the Company the portion of the capital represented by his share or shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

### **24. Liability of Joint holders**

If any share stands in the names of two or more persons all the joint-holders of the share shall be severally as well as jointly liable for the payment of all deposits, installments, and calls due in respect of such shares, and for all incidents thereof according to the Company's regulations; but the persons first named in the Register shall, as regards service of notice, and all other matters connected with the Company, except the transfer of the share and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.

### **25. Registered holder only the owner of the shares**

Save as herein or by laws otherwise expressly provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute

required, be bound to 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; the Directors shall, however be at liberty, at their sole discretion, to register any share in the joint names of any two or more persons, and the survivor or survivors of them.

## **V. CERTIFICATES**

### **26. (1) Certificate of Shares**

Subject to provisions of Section 46 of the Act and rules made thereunder and all other applicable provisions of the Act and any statutory or other

requirement having the force of law governing the issue and signatures to and sealing of certificate to shares and applicable to this Company for the time being in force the certificate of title to shares and the duplicate thereof when necessary shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (1) two Directors duly authorized by Board of Directors of the Company for the purpose or the committee of the Board, if so authorized by the Board and (2) the Secretary or any person appointed by the Board for the purpose; a Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography or digital means but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other materials used for the purpose.

## **(2) Members' right to Certificates**

- (i) Every member shall be entitled without payment to the certificate for all the Shares of each class or denomination registered in his name, or if the Board, so approve (upon paying such fees as the Board may from time to time determine) to several certificates, each for one or of such Shares and the Company shall complete such certificate within two months after the allotment or such period as may be determined at the time of the issue of such capital whichever is longer or within one month after registration of the transfer thereof as provided by Section 56 of the Act. Every certificate of shares shall have its distinctive number and be issued under the Seal of the Company and shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Board shall prescribe or approve provided that in respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and the delivery of a certificate for a share or shares to one of several joint-holders shall be deemed to be sufficient delivery to all.
- (ii) A certificate of shares registered in the names of two or more persons, unless otherwise directed by them in writing, may be delivered to any one of them on behalf of them all.

## **(3) Dematerialization of securities.**

- (i) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialized form.

- (ii) Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the register of members as a holder of any share or whose names appear as beneficial owners of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognise any benami trust or equity or equitable contingent 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.
- (iii) Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialized.

**(4) Issue of New Certificate in place of One Defaced, Lost or Destroyed.**

If any certificate be worn out, defaced, destroyed or lost or if there be no further space on the back thereof for endorsement of transfer, then upon production thereof to the Board, they, may order the same to be cancelled, and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. A sum not exceeding Rs. 50/- shall be paid to the Company for every certificate issued under this Article, as the Board may fix from time to time, provided that no fee shall be charged for issue of new certificate in replacement of those which are old, worn, decrepit out or where the cages on the reverse for recording transfers have been fully utilised.

**(5) Board may waive fees.**

The Board may waive payment of any fee generally or in any particular case.

**(6) Endorsement on certificate**

Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Board in that behalf.

**(7) Board to comply with Rules**

The Board shall comply with Rules requirements prescribed by any Rules

made pursuant to the said Act; relating to the issue and execution of share certificates.

## **VI. CALLS ON SHARES**

### **27. (1) Directors may make call**

Subject to the provisions of Section 49 of the Act the Board of Directors may, from time to time by a Resolution passed at a meeting of a Board (and not by a circular resolution), make such calls as it think fit upon the members in respect of all moneys unpaid on the shares whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.

### **(2) When call deemed to have been made**

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.

### **(3) Notice of calls**

Fourteen days' notice at least of every call made payable otherwise than on allotment shall be given by the Company in the manner hereinafter provided for the giving of notices specifying the time and place of payment, and the person to whom such call shall be paid. Provided that before the time for payment of such call the Board may, by notice given in the manner hereinafter provided revoke the same.

### **(4) Amount payable at fixed time or by installments to be treated as calls**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.



**(5) When interest on call or installment payable**

If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof or any extension thereof as aforesaid, the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten per cent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment. However, the Board shall be at liberty to waive payment of such interest wholly or in part.

**(6) Money due to members from the Company may be applied in payment of call or Installment**

Any money due from the Company to a member may, without the consent and notwithstanding the objection of such member, be applied by the Company in or towards the payment of any money due from him to the Company for calls or otherwise.

**(7) Part payment on account to call etc. not to preclude forfeiture**

Neither a judgement nor a decree in favour of the Company for calls of other moneys due in respect of any shares nor any part-payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his 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 hereinafter provided.

**(8) Directors may extend time**

The Board may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, the Board may deem fairly entitled to such extension; but no member shall be entitled to any such extension, except as a matter of grace and favour.

**(9) Evidence in actions by Company against shareholders**

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 presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not 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.

**(10) Payment in anticipation of call may carry interest.**

- (i) The Directors may, if they think fit, subject to the provisions of section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (ii) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

**VII. FORFEITURE OF AND LIEN ON SHARES**

**28. If money payable on share not paid notice to be given**

If any member fails to pay the whole or any part of any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter,

during such time as the call for installment remains unpaid, serve notice on him requiring payment of so much of the call or installment as is unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non- payment.

## **29. Form of Notice**

The notice shall name a further day (not being earlier than expiry of fourteen days from the date of service of the notice) and a place or places on and at which the payment required by the notice is to be made. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, shares in respect of which the call was made or installment is payable will be liable to be forfeited.

## **30. (1) In default of payment shares to be forfeited**

If the requirements of any such notice as aforesaid are not complied with, any share or shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

### **(2) Notice of forfeiture to a member**

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. The provisions of this Article are, however, directory only and no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

### **(3) Forfeited share to be the property of the Company and may be sold etc.**

Any share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed off, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

### **(4) Power to annul forfeiture**

The Board of Directors may at any time before any share so forfeited shall

have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.

**(5) Member still liable to pay money owing at the time of forfeiture and interest**

Any member whose shares have been forfeited shall notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding ten per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.

## **(6) Effect of forfeiture**

The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in and all claims and demand against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

## **(7) Surrender of Shares**

The Directors may, subject to the provisions of the Act, accept a surrender of any share from any member desirous of surrendering on such terms and conditions as they think fit.

## **(8) Declaration of forfeiture**

(i) A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles, 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.

(ii) The Company may receive the consideration, if any, given for the share on any sale, re- allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.

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

(iv) Such transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be effected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

## **(9) Cancellation of share certificate in respect of forfeited shares**

Upon sale, re-allotment or other disposal, under the provisions of these Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

## **31. (1) Company's lien on shares**

The company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys from time to time due or payable by him to the Company for calls made and all amounts or installments as provided by Article 35 payable in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 25 hereof will have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the company's lien if any, on such shares. The Board may at any time declare any shares to be exempt, wholly or partially from the provisions of this Article.

### **(2) As to enforcing lien by sale**

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien.

Provided that no sale shall be made:

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

### **(3) Application of proceeds of sale**

- a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable;
- b) The residue, if any, after adjusting costs and expenses, if any, incurred shall be paid to the person entitled to the shares at the date of the sale (subject to a like for sums not presently payable existed on the shares before the sale.

## **32. Execution of instrument of transfer**

- (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

- (iii) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

## VIII. TRANSFER AND TRANSMISSION OF SHARES

### 33. (1) Register of Transfer

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 share in the Company.

#### (2) Instrument of transfer

No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee.

### 34. (1) Death of one or more joint holders of shares

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

#### (2) Title of share of deceased member

(i) 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 he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Where there is no, nominee, the executors or administrators of a

deceased member not being one of several joint-holders shall be the only persons recognised by the Company as having any title to the shares registered in the name of such deceased member, and the Company shall not be bound to recognise such executors or administrators, unless they shall have first obtained probate or letters of administration or other legal representation, as the case may be, provided nevertheless, the Directors, in any case where they in their absolute discretion think fit, may dispense with the production of Probate or Letters of Administration or such other legal representation, upon such terms as to indemnity or otherwise as they may deem fit and under the next Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member as a member in respect of such shares.

### **(3) Registration of person Entitled to Shares Otherwise Than by Transfer (transmission clause)**

Subject to the provisions of the last preceding Article, any person to whom the right to any share has been transmitted in consequence of the death or insolvency of any member or otherwise by operation of law may, with the consent of the Board (which they shall not be under any obligation to give) and upon his producing such evidence that he sustains the character in respect of which he proposes to act under the Article and of his title as the Directors think sufficient be registered as a member in respect of such shares . This clause is hereinafter referred to as the 'transmission clause'. 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.

### **(4) Evidence of transmission to be verified**

Every transmission of a share shall be verified in such a manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient; provided nevertheless, that there shall not be any obligation on the Company or the Directors to accept any indemnity, the Directors shall have the same 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.

### **(5) Rights of such person**

A person entitled to share by transmission may, until the Directors otherwise determine as provided in Article 133, receive and give discharge for any dividends, bonuses or other moneys payable in respect of the share, but he



shall not be entitled to vote at any meetings of the Company and to any of the rights and privileges of a member, unless and until he shall have become a member in respect of the shares.

### **35. (1) Application for transfer**

- (i) An application for registration of a transfer of the shares in the Company may be either by the transferor or the transferee.
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- (iii) For the purpose of clause (ii) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

### **(2) Execution of transfer**

- (i) It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped, dated and executed by or on behalf of the Transferor and by or on behalf of the Transferee and specifying the name and address and occupation of the Transferee has been delivered to the Company along with the scrip and if no such scrip is in existence, along with the letter of allotment of the shares. 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 Directors may at their 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).
- (ii) The transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- (iii) 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 as provided in Article 66.

- (iv) Nothing in clause (i) 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.
- (v) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

### **36. Directors may refuse to register transfers.**

The Board may, at its absolute and uncontrolled discretion and without assigning or being under any obligation to give any reason, decline to register or acknowledge any transfer or transmission of shares and in particular, may so decline in any case in which the Company has a lien upon the shares or any of them or in the case of shares not fully paid-up whilst any moneys called or payable at a fixed time in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Board. Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The registration of a transfer shall be conclusive evidence of the approval by the Board of the transferee, but so far only as regards the share or shares in respect of which the transfer is so registered and not further or otherwise and not so as to debar the Board to refuse registration of any further shares applied for. If the Board refuses to register the transfer or transmission of any shares notice of the refusal shall within two months from the date on which the instrument of transfer on intimation of transmission was delivered to the Company be sent to the Transferee and the Transferor or to the person giving intimation of the transmission, as the case may be.

### **37. (1) Registered transfer to remain with Company**

Every instrument of transfer which shall be registered shall remain in the custody of the Company. If the transfer relates to the only share or all the shares comprised in the certificate, such certificate or a new certificate in lieu thereof shall, after the registration of the transfer, be delivered to the transferee and if the transfer relates only to a part of the shares comprised in the certificate, the same shall, on registration of the transfer be retained by the Directors and cancelled and new certificates will be issued to the transferor and the transferee in respect of the shares respectively, held by them.

### **(2) Closure of Transfer books and Register**

The Directors shall have power on giving seven days' notice by advertisement as required by Section 91 of the Act to close the Transfer Book and Register of Members of such period or periods of time in every year as to them may seem expedient, but not exceeding 45 days in any year and not exceeding 30 days at any one time.

**38. The Company not liable for disregard of any notice prohibiting registration of a transfer**

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the Register of Members), to the prejudice of any person or 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 prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company; and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

**39. Transfer to debentures**

The provisions of these Articles as to forfeiture shall mutatis mutandis apply to any other securities including Debentures of the Company.

**IX. ALTERATION OF SHARE CAPITAL**

**40. Alteration of share capital**

Subject to the provisions of Section 61 of the Act, the Company in General Meeting may from time to time by ordinary resolution alter the conditions of its Memorandum of Association as:

- (i) to increase its share capital by such amount as it thinks expedient by issuing new shares;
- (ii) to Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

- (iii) to convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
- (iv) to sub-divide its shares or any of them into shares of smaller amount than is fixed by its Memorandum of Association, so however that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on such reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
- (v) to cancel any shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this clause shall not be deemed to be reduction of share capital within the meaning of the Act.

#### **41. (1) Increase of Capital by the Directors and how carried into effect**

The Directors may from time to time without any sanction of the Company, whenever all the shares in the issued capital shall not have been subscribed and whether all the shares for the time being subscribed shall have been fully called up or not, issue further shares of such value as they may think fit out of the unsubscribed balance of the issued capital. Such further shares shall be issued upon such terms and conditions (and if preference shares upon such conditions as to redemption) and with such rights and privileges annexed thereto as the Board shall direct and in particular, such shares may be issued with a preferential or qualified right to dividend and in the distribution of assets of the Company and subject to the provisions of Section 47 of the said Act with a special or without any right of voting and the Board may dispose of such shares or any of them either at par or at a premium, to any members or any class thereof or in such other manner as the Board may think most beneficial to the Company.

#### **(2) Further Issue of capital**

- (i) Where it is proposed to increase the subscribed capital of the Company by the issue of new shares:
  - a) such new shares shall be offered to the persons who, at the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid up on these shares at that date;
  - b) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the

offer, if not accepted, will be deemed to have been declined;

- c) The offer aforesaid 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; and the notice shall contain a statement of this right;
  - d) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.
  - e) To employees under a scheme of employees' stock option, subject to Special Resolution passed by the company and subject to such conditions as may be specified in the relevant Rules.
  - f) To any persons, by way of passing a Special Resolution to that effect, whether or not those persons include the persons referred to in sub-clause (a) or sub-clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be specified in the relevant Rules.
- (ii) Whenever any shares are to be offered to the members the Directors may dispose of any such shares which, by reason of the proportion borne by them to the number of persons entitled to such offer or by reason of any other difficulty in apportioning the same cannot in the opinion of the Directors be conveniently offered to the members.
- (iii) The right to issue further shares provided in this Article, shall include a right to the Company, to issue any instrument, including Global Depositary Receipt.

#### **42. How far new share in original capital**

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

#### **43. Notice of increase of capital**

The Directors shall, whenever there is a change in the share capital, file with the Registrar of Companies notice of the increase of the capital as provided by Section 64 of the said Act within thirty days after the passing of the resolution authorising the increase.

#### **44. (1) Transfer of Stock**

- (i) When any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interest, in the same manner and subject to the same regulations as and subject to which shares in the Company's capital may be transferred or as near thereto as circumstances will admit. But the Board may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but with full power, nevertheless, at the discretion to waive such rules in any particular case.
- (ii) Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.

#### **(2) Rights of stock-holders**

The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such aliquot part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special holders of the share and authenticated by such evidence (if any) as the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares and the words "share" and "shareholder" in these presents shall include "stock" and "stock-holder".

### **X. Reduction of Capital**

#### **45. Reduction of Capital**

The Company may (Subject to the provisions of Sections 66 and 68 and the rules framed there under and any other applicable provisions, if any of Act) from time to time by special resolution reduce the share capital; any capital

redemption reserve account; or any share premium account; in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

**46. Provisions relating to the redemption of preference shares**

- (i) Subject to the provisions of Section 55 of the said Act, whenever any preference shares are issued which are or at the option of the Company are to be liable to be redeemed, the following provisions shall take effect:

- a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.
  - b) No such shares shall be redeemed unless are fully paid.
  - c) The premium, if any payable on redemption must be provided for out of the profits of the Company or out of the Company's Securities Premium Account before the shares are redeemed.
  - d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend be transferred to the Capital Redemption Reserve Account, a sum equal to the nominal amount of the share redeemed.
- (ii) Subject to the provisions of Section 55 of the Act and these Articles the redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any such terms and conditions in such manner as the Directors may think fit.
  - (iii) The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its authorised share capital.
  - (iv) Where the Company has redeemed or is about to redeem any preference shares, it shall never have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 385 of the said Act, be deemed to be increased by the issue of shares in pursuance of this Article.

Provided that, where new shares are issued before the redemption of the old shares, the new shares shall not so far as relate to stamp duty, be deemed to have been issued in pursuance of this Article unless the old shares are redeemed within one month after the issue of the new shares.

- (v) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

## **XI. MODIFICATION OF RIGHTS**

### **47. Power to modify rights**

- (i) Whenever the capital, by reason of the issue of the preference shares or



otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class and all the provisions hereinafter contained as to general meeting shall mutatis mutandis apply to every meeting.

- (ii) This Article is not to derogate from any power the Company would have if this Article was omitted. The dissentient members shall have the right to apply to Tribunal in accordance with the provisions of Section 48 of the Act.

## **XII. JOINT HOLDERS**

### **48. Joint Holders**

- (i) Where two or more persons are registered as the holders of any Securities 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 following and other provisions contained in these Articles.

- (ii) No transfer to more than three persons

The Company shall be entitled to decline to register more than three persons as the joint holders of any Securities.

- (iii) The joint holders of any Security shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such Securities.

- (iv) Death of Joint holders

On the death of any one or more of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

- (v) Receipt of one sufficient

Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such Security.

- (vi) Delivery of Certificate and giving of notices to first named holder

Only the person whose name stands first in the Register of Members (or the relevant register maintained for that Security) as one of the joint holders of any shares shall be entitled to delivery of the certificate relating to such or to receive notices (which expression shall be deemed to include all Documents) from the Company and any notice given to such person shall be deemed notice to all the joint holders.

(vii) **Votes of Joint holder**

Any one of two or more joint holders may vote at any meeting (including voting by postal ballot and by electronic voting) either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney 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 Security shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorised under a power of attorney or by proxy although the name of such persons present by an agent or proxy stands first in the Register in respect of such shares. Several executors of a deceased member in whose (deceased member's) sole name any Security stands shall for the purpose of this clause be deemed joint holders.

### **XIII. MEETING OF MEMBERS**

#### **49. Annual General Meeting**

The Company shall in each year, in addition to any other meetings which are hereinafter referred as "Extraordinary General Meeting" hold a General Meeting which shall be styled as Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

#### **50. Directors may call Extraordinary General Meetings**

The Directors may call Extraordinary General Meetings of the Company whenever they think fit and such meetings shall be held at such place and time as the Directors think fit.

#### **51. Power of Tribunal to call General Meeting**

- (i) If the default is made in holding an Annual General Meeting in accordance with Section 96 of the Act, the Tribunal may, notwithstanding anything in the Act, (or in the Articles of the Company) on the application of any member of the Company, call or direct the calling of a General Meeting of the Company,

and give such ancillary or consequential directions as the Central Government thinks expedient in relation to the calling, holding and conducting of the meeting.

**Explanation:** - The directions that may be given, may include a direction that one member of the Company so present in person or by proxy shall be deemed to constitute a meeting.

- (ii) A General Meeting held in pursuance of clause (i) shall subject to any directions of the Tribunal be deemed to be an Annual General Meeting of the Company.

## **52. Calling of Extraordinary General Meeting on requisition**

- (i) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (iv) forthwith proceed duly to call an Extraordinary General Meeting of the Company.
- (ii) The requisition shall set-out the matters for the consideration of which the meeting is to be called shall be signed by the requisitioners and shall be sent to the Registered Office of the Company.
- (iii) The requisition may consist of several documents in like form each signed by one or more requisitioners.
- (iv) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold both on the date of such requisition and on the date of receipt of the requisition not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.
- (v) Where two or more distinct matters are specified in the requisition, the provisions of clause (iv) shall apply separately in regard to each such matters and the requisition shall accordingly be valid only in respect of these matters in respect to which the conditions specified in that clause is fulfilled.
- (vi) If the Board does not, within twenty one days from the date of the receipt of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of receipt of the requisition, the meeting may be called and held by the requisitioners themselves within a period of three months from the date of the requisition.

**Explanation:-** For the purposes of this clause, the Board shall in the case of a meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such

notice thereof as is required by sub- section (2) of Section 114.

- (vii) A meeting called under clause (vi) by the requisitionists or any of them –
  - a) shall be called in the same manner as nearly as possible as that in which meetings are to be called by the Board; but
  - b) shall not be held after the expiration of three months from the date of the deposit of the requisition.
  - c) shall convene meeting at Registered office or in the same city or town where Registered office is situated and such meeting should be convened on working day.
- (viii) Where two or more persons hold any shares or interest in a Company jointly, a requisition or a notice calling a meeting signed by one or only some of them shall for the purposes of this Section have the same force and effect as if it has been signed by all of them.
- (ix) Any reasonable expenses incurred by the requisitionists by reasons of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

### **53. (1) Length of Notice for calling meeting**

A General Meeting of the Company may be called by giving at least clear twenty one day's notice in writing or through electronic mode but a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting.

Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at meeting and not on others, those members shall be taken into account for the purposes of this Article in respect of the former resolution or resolutions and not in respect of the latter.

### **(2) Contents of Notice**

Notice of every general meeting of the Company shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted thereat.

### **(3) To whom notice to be given**

Such notice shall be given –

- (i) to every member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member;
- (ii) to the auditor or auditors of the Company; and
- (iii) to every Director of the Company.
- (iv) to every trustee for the debenture holder of any debentures issued by the Company.

### **(4) Omission to give notice or non-receipt of notice shall not invalidate proceedings**

The accidental omission to give notice to or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

### **(5) Proxy**

In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or where that is allowed one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.

## **54. (1) Explanatory Statements**

Where any items of business to be transacted at the meeting are deemed to be special as provided in Article 93 there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business namely:

- (i) The nature of concern or interest, financial or otherwise, if any of the following persons, in respect of each item of:
  - a) every Director and the Manager; if any;
  - b) every other Key Managerial Personnel; and
  - c) relatives of the persons mentioned in sub-clause (a) and (b);

- (ii) Any other information and facts that may enable members to understand the meaning, scope and implementation of the items of business and to take decision thereon.

**(2) Inspection of documents referred in the explanatory statement**

Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.

**55. Business to be transacted at meetings**

In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to:

- (i) the consideration of the Financial Statements, (including the consolidated financial statements, if applicable), and the Reports of the Board of Directors and Auditors,
- (ii) the declaration of a dividend,
- (iii) the appointment of Directors in the place of those retiring and
- (iv) the appointment of and the fixing of the remuneration of the Auditors. In the case of any other meeting all business shall be deemed special.

**56. Circulation of members resolutions**

Upon a requisition of members complying with Section 111 of the said Act, the Directors shall comply with the obligations of the Company under the said Act relating to circulation of members' resolutions and statements.

**57. Certificate conclusive as to Meeting having been duly called.**

A certificate in writing, signed by the Secretary or by a Director or some officer or agent appointed by the Board for the purpose, to the effect that according to the best of its belief the notices convening the meeting have been duly given shall be prima facie evidence thereof.

**XIV. PROCEEDINGS AT GENERAL MEETINGS AND  
ADJOURNMENT THEREOF**

**58. Business which may not be transacted at the meeting**

No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been

specified in the notice convening the meeting except as provided in the said Act.

#### **59. (1) Presence of Quorum**

No business shall be transacted at any General Meeting, unless the requisite quorum is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be the presence in person of such number of members as specified in Section 103 of the Act. Subject to Article 81(vii) when more than one of the joint- holders of a share is present only one of them shall be counted for ascertaining the quorum. Several executors or administrators of a deceased person in whose sole name shares stand shall for the purpose of this Article be deemed joint holders thereof.

#### **(2) If quorum not present when meeting to be dissolved and when to be adjourned**

If within half an hour from the time appointed for holding a meeting of the Company a quorum is not present, the meeting if called by or upon the requisition of members shall stand cancelled but in any other case it shall stand adjourned pursuant to provisions of sub-section (2) of the section 103 of the Act.

#### **(3) Adjourned meeting to transact business even if no quorum present**

If at such adjourned meeting a quorum of members is not present within half an hour from the time appointed for holding the meeting, the members present, whatever their number, shall be a quorum and may transact the business and decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place, if a quorum had been present thereat.

#### **(4) Chairman of general meeting**

The Chairman of the Board (whether Member or not) shall if present and willing, be entitled to take the chair at every General Meeting, whether Annual or Extraordinary, but if there be no such Chairman or in case of his being not present or being unwilling or failing to take the chair within fifteen minutes of the time appointed for holding such meeting, the members present shall choose another Director (whether Member or not) as Chairman and if all the Directors present decline to take the chair or if there be no Director present, then the members present shall choose one of their own members to be Chairman of the meeting. If a poll is demanded it shall be taken forthwith in accordance with the provisions of sub-section (2) of section 104. The Chairman elected on a show of hands shall exercise all the powers of the Chairman for the purpose of such poll. If some other person is

elected Chairman as a result of such poll, he shall be the Chairman for the rest of the meeting.

The Chairman be permitted to hold the position of both the Chairman of the Board and/or General Meeting as well as Managing Director/CEO/equivalent position thereof in the Company as may be decided by the Board of Directors and as permitted by applicable laws from time to time.

**(3) When chair vacant business confined to election of Chairman**

No business shall be transacted at any General Meeting, except the election of Chairman, whilst the chair is vacant.

**60. (1) Chairman with consent of members may adjourn meeting**

The Chairman may, with the consent of a majority of the members personally present at any meeting, adjourn such meeting from time to time and from place to place in the city, town or village where the Registered Office of the Company be situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the Company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

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

**(2) Notice of adjournment**

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.

**61. (1) Chairman's declaration of result of voting by show of hands**

(i) At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, or if the voting is carried out electronically be decided on a show of hands. Such voting in a general meeting or by postal ballot shall also include electronic voting in a General Meeting or Postal Ballot as permitted by applicable laws from time to time.

(ii) A declaration by the Chairman in pursuance of clause (i) hereof that on a show of hands a resolution has or has not been carried or has or



has not been carried either unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

## **(2) Chairman's casting vote**

In the case of equality of votes the Chairman shall both on a show of hands and a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

## **62. (1) Minutes of Proceedings of General Meetings or Board and Other meeting**

The Company shall cause minutes of all proceedings of General Meetings of any class of shareholders or creditors, and every resolution passed by postal ballot and of all proceedings at meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose.

- (i) The minutes of each meeting shall contain a fair and correct summary of the proceeding thereat.
- (ii) All appointments of officers made at any time of the meetings aforesaid shall be included in the minutes of the meeting.
- (iii) In case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain :
  - (iv) the names of the directors present at the meeting; and
  - (v) in case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
  - (vi) there shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting:
    - a) is or could reasonably be regarded as defamatory of any person;
    - b) is irrelevant or immaterial to the proceedings; or
    - c) is detrimental to the interests of the Company;

**Explanation:** - The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article.

## **(2) Minutes to be evidence**

Any such minute, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.

## **(3) Presumption to be drawn where minutes duly drawn and sign**

Where the minutes have been kept in accordance with clause (1) hereof; then until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and the resolution passed by circulation, postal ballot or other permitted means shall be construed to have been duly passed, and in particular all appointments of Directors, Key Managerial Personnel, Auditors or Company Secretary in practice, made at the meeting shall be deemed to be valid, including the matters that are required to be transacted at a meeting of the Board as specified in Section 179 of the said Act.

## **(4) Inspection of Minute Books of General Meeting**

The books containing the minutes of the proceedings of General Meetings of the Company shall:

- a) be kept at registered office of the company; and
  - b) be open during business hours to the inspection of any member without charge, subject to such reasonable restrictions as the company may impose so however that not less than two hours in each business day are allowed for inspection.
- 1) Any member shall be entitle to be furnished, within seven working days after he has made a request in that behalf to the company, and on payment of Rupees 10 for each page or part thereof required to be photocopied and that the Company shall comply with provisions of Section 119 of the Act.

## **(5) Other Registers**

The provisions contained in Article 107 shall mutatis mutandis apply to other registers maintained under the provisions of the said Act, that can be inspected by an eligible person.

## **(6) Publication of reports of proceedings of General Meeting**

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 Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

## **XV. VOTING RIGHTS AND PROXY**

### **63. (1) Restriction on exercise of voting rights of members who have not paid calls**

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

### **(2) Restrictions on exercise of voting rights in other cases to be void**

A Company shall not, except on the ground specified in Articles 110 prohibit any member from exercising his voting right on any other ground.

### **64. (1) Votes of members of unsound mind**

A member of unsound mind or in respect of whom 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.

### **(2) Votes in respect of Securities under dispute**

Notwithstanding anything contained in this Articles, where the title to any Securities is under dispute before any court, where no injunction subsists (or direction made) as to the exercise of voting rights or other rights of a member including the rights attached to such Securities, the Board shall be entitled to suspend any such right aforesaid.

### **65. Representation of body corporate**

A body corporate (whether a Company within the meaning of the Act or not) may, if it is a member or creditor of the Company (including a holder of debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other Governing Body, to act as its representative at any meeting of the Company or any class of members of the Company or at any meeting of the creditors of the Company or debenture holders of the Company. A person authorised by resolution as aforesaid shall be entitled to

exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company. The production of a copy of the resolution referred above, certified by Director or the Secretary of such body corporate before the commencement of the meeting shall be accepted by the Company as sufficient evidence of the validity of the said representative's appointment and his right to vote thereat.

#### **66. Number of votes to which member entitled**

- (i) Subject and without prejudice to any special privileges or restrictions or conditions for the time being attached to or affecting the preference or other special classes of shares, if any, issued by and for the time being forming part of the capital of the Company every member, entitled to vote under the provisions of these presents and not disqualified by the provisions of Articles 110, 112, and 113 or by any other Article shall on a show of hands have one vote and upon a poll every member, present in person or proxy or agent duly authorised by a power-of-attorney or representative duly authorised and not disqualified as aforesaid, shall have voting rights in proportion to his share of the paid-up equity capital of the Company subject however to any limits imposed by law.

#### **67. No voting by proxy on show of hands**

No member not personally present shall be entitled to vote on a show of hands unless such member is a Body Corporate present by proxy or by a representative duly authorised under Section 113 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.

#### **68. Voting by electronic means**

A Member may exercise his vote, in respect of items of business to be transacted for which notice is issued, by electronic means in accordance with Section 108, and shall vote only once.

#### **69. Right to use votes differently**

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

## **70. (1) Instrument of proxy to be in writing**

Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.

A person shall (a) not act as proxy for more than 50 Members and holding in aggregate not more than 10% of the total share capital of the Company; (b) not act as proxy for more than one Member, if that Member holds more than 10% of the total share capital of the Company.

### **(2) Instrument of Proxy**

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 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 Article 114. 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.

### **(3) Instrument of proxy to be deposited at the Registered Office**

No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and power-of attorney or other authority (if any) under which it is signed or a notarial certified copy of that power or authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Notwithstanding that a power-of-attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or to attorney at least seven days before the date of a meeting require him to produce the original power-of attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-

production and deposit.

#### **(4) Custody of the instrument of appointment**

If any such instrument of appointment be confined to the objects of appointing an attorney or proxy or substitute, it shall remain, permanent or for such time as the Directors may determine in the custody of the Company and if embracing other objects, a copy thereof, examined with the original shall be delivered to the Company to remain in the custody of Company.

#### **(5) Form of Proxy**

The instrument appointing a proxy whether for a specified meeting or otherwise shall be in Form MGT-11

#### **(6) Vote of proxy how far valid**

- (i) A vote given in pursuance of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of the proxy or any power-of- attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the vote is given.
- (ii) 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.

#### **(7) Time for objection to vote**

No objection shall be made to the validity of any vote except at the meeting or adjourned meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.

#### **(8) Chairman sole judge of the validity of a vote**

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The Chairman shall be assisted by a scrutinizer, appointed by the Board for this purpose.

### **XVI. CAPITALISATION OF PROFITS AND DIVIDENDS**

## **71. The Company in General Meeting may declare a dividend**

The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits, and may fix the time for the payment thereof.

## **72. Equal rights of Shareholders**

Any share holder whose name is entered in the Register of Members of the Company shall enjoy the rights and be subject to the same liabilities as all other shareholders of the same class.

## **73. (1) Limit on amount of Dividend**

The dividend shall not exceed the amount recommended by the Board.

### **(2) Dividends in proportion to the amount paid up**

Unless the Company otherwise resolves, dividends shall be paid in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some share than on others. Provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall unless otherwise resolved be only entitled the holder of such share to a proportionate amount of such dividend from the date of payment.

### **(3) Capital advanced on Interest not to earn Dividends**

Capital paid-up in advance of calls shall not confer a right to dividend or to participate in profits.

### **(4) Dividends out of profits only and not to carry interest what to be deemed profits**

No dividends shall be payable except out of profits of the Company of the year or any other undistributed profits and no dividend shall carry interest against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

### **(5) Ad-interim dividend**

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

### **(6) No member to receive dividend while indebted to the Company**

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

**(7) Retention of dividends until completion of transfer under the transmission clause**

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

**(8) Transfer must be registered to pass right to dividend**

- a. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
- b. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his bankers or any other person as permitted by applicable law.

**(9) Dividend when and how to be paid**

All dividends shall be paid by the cheque, or warrant in respect thereof shall be posted within thirty days of the date on which such dividend is declared by the Company. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.

**(10) Notice of dividends**

Notice of the declaration of any dividend whether interim or otherwise, shall be given to the members in the manner hereinafter provided for giving of notice to member.



**(11) Production of share certificate when applying for dividends**

The Directors may, if they think fit, call upon the members, when applying for dividends, to produce their share certificates to such person or persons appointed by them in that behalf.

**(12) Any one of Joint-holders of share may receive dividends**

Any one of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

**(13) Dividend payable in cash**

No dividend shall be payable except in cash.

Provided that nothing herein shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company.

Provided further that any dividend payable in cash may be paid in cheque or warrant or in any electronic mode to the Member entitled to the payment of the dividend.

**(14) Dividend and call together Set off allowed**

Any General Meeting declaring a dividend may make a Call on the Members of such amount as the meeting fixes and so that the Call be made payable at the same time as the dividend, and the dividend may, if so resolved by the Company in General Meeting be set off against the Calls.

**74. Capitalisation**

- (i) A General Meeting of the Members, In a meeting in person or proxy or, through Postal Ballot or, by any other means, as may be permitted may on the recommendation of the Board, direct capitalisation of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or other funds of the Company including the moneys in the Securities Premium Account and the Capital Redemption Reserve Account or the premiums received on the issue of any shares, debentures or debenture stock of the Company and that such sum be accordingly set free for the purpose,
  - a) by the issue and distribution, among the holders of the shares of the Company or any of them, in accordance with their respective rights and interests and in proportion to the amounts paid or credited as paid up thereon, of paid-up shares, debentures, debenture-stock bonds or other obligations of the Company, or
  - b) by crediting any shares of the Company which may have been issued and

are not fully paid up, in proportion to the amounts paid or credited as paid up thereon respectively, with the whole or any part of the same.

- (ii) For the purposes above set out the Company may, subject to the provisions contained in section 63, apply: (i) its free reserves, (ii) the Securities Premium Account subject to the provisions of Section 52(2) of the said Act; (iii) the Capital Redemption Reserve Fund subject to the provisions of Section 55(4) of the said Act; and (iv) such other reserves or account as may be applied for issue of bonus shares.

**75. Date for determination of Members entitled to bonus, dividend and other actions of the company.**

The Board shall have the right to fix a date for the purpose of determining the Members who are entitled to the payment of the dividend, or shares pursuant to the capitalisation of reserves, and for any other action of the Company that requires determination of the details of Members.

## **XVII. ACCOUNTS**

**76. Books to be kept**

- (i) The Company shall keep at its registered office proper books of account as would give a true and fair view of the state of affairs of the Company or its transaction with respect to:
  - a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
  - b) all sales and purchases of goods by the Company;
  - c) the assets and liabilities of the Company; and
  - d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by that Government.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

- (ii) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (i)

above if proper books of account relating to the transactions effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its registered office or the place referred to in clause (i) above. The books of account and other books and papers shall be open to inspection by any Director during business hours.

(iii) The books of accounts and other Books and Papers shall be open to inspection by any Directors during business hours.

(iv) The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136 to 138 of the said Act and any statutory modifications thereof.

### **77. Inspection by members**

- a) The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and works of the Company or any of them shall be open to the inspection of members not being Directors.
- b) No member (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board.

### **78. (1) Financial Statements to be furnished to be laid before the members**

Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before member of the Company a Financial Statements for each financial year.

#### **(2) Contents of Financial Statements**

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.

Financial Statements shall comply with the provisions of Section 129 and 133 of the said Act.

#### **(3) Signing of Financial Statements**

- a. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
- b. The Directors shall make out and attach to every Balance Sheet laid

before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.

**(4) Right of member to copies of Balance Sheet and Auditors' Report**

- a. A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before a Company in general meeting shall not, less than twenty-one days before the date of the meeting, be sent to every member of the Company, to every trustee for the holders of any debentures issued by the Company, to the Auditors of the Company, and every director of the Company.

If the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninety five percent of the members entitled to vote at the meeting.

The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

- b. Any member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.

**(5) Copies of Financial Statements etc. be filed**

- a. A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statements under this Act, duly adopted at the annual general meeting of the company, shall be filed with the registrar within thirty days of the annual general meeting.
- b. If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents

that are required to be attached to the financial statements shall be filed with the registrar within thirty days of the annual general meeting. Thereafter, the Financial Statements adopted at the adjourned annual general meeting shall be filed with the Registrar within thirty days of such adjourned annual general meeting.

#### **79. When accounts to be deemed finally settled**

Every account when audited and approved by a General Meeting shall be conclusive.

#### **80. Auditors**

The auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and rules made thereunder.

### **XVIII. BOARD OF DIRECTORS, THEIR QUALIFICATION AND REMUNERATION**

#### **81. Number of Directors**

The number of Directors shall not be less than three and not more than fifteen. The Company shall have the power to increase the number of Directors beyond 15 after passing a Special Resolution.

#### **82. Debenture Directors**

Any Trust Deed for securing debenture or debenture-stocks, may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees or holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. 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 of the other provisions herein contained.

### **83. Nominee Director**

Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred as "Nominee Director" and the term "Nominee Director" means any director for time being in office under this Article.

The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

### **84. Qualification shares**

A director need not hold any qualification shares.

### **85. Fee for Directors**

A Director may receive remuneration by way of fee not exceeding such amount as may be permissible under the Rules for attending each meeting of the Board or Committee thereof; or of any other purpose whatsoever as may be decided by the Board.

### **86. Register of Directors etc. and of Directors Shareholdings**

The Directors shall arrange to maintain at the Registered office of the Company a Register of Directors, Key Managerial Personnel, containing the particulars and in the form prescribed by Section 170 of the Act. 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 said sections.

### **87. Additional Remuneration for services**

Subject to the provisions of Section 197 of the said Act:

- a) Any one or more of the Directors shall be paid such additional

remuneration as may be fixed by the Directors for services rendered by him or them and any one or more of the Directors shall be paid further remuneration if any as the Company in General Meeting or the Board of Directors shall from time to time determine. Such remuneration and/or additional remuneration may be paid by way of salary or commission on net profits or turnover or by participation in profits or by way of perquisites or in any other manner or by any or all of those modes.

- b) 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 of Directors 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 Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.

#### **88. Remuneration Committee**

The Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these articles not exceeding such amount as is permissible under the Rules, per meeting attended by him.

#### **89. Re-imbusement of Expenses**

The Board of Directors may allow and pay to any Director fair compensation for his travelling and other expenses incurred in connection with the business of the Company including attendance at meeting of the Board or Committee thereof.

### **XIX. APPOINTMENT AND ROTATION OF DIRECTORS**

#### **90. (1) Appointment of Directors**

A person shall not be capable of being appointed as Director of the Company if:

- a) he has been found to be of unsound mind by a Court of competent jurisdiction.



- b) he is an undischarged insolvent;
- c) he has applied to be adjudicated as an insolvent and his application is pending;
- d) he has been convicted by a Court in India of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than 6 months, and a period of five years has not elapsed from the date of expiry of the sentence;
- e) he has not paid any call-in respect of shares of the Company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call; or
- f) an order disqualifying him for appointment as Director has been passed by a Court or Tribunal and the order is in force;
- g) he has been convicted of the offence dealing with related party transactions under Section 188 at any time during the last preceding five years; or.
- h) he has not complied with sub-section 3 of section 152.

**(2) Appointment of directors and proportion to retire by rotation**

- (i) The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.
- (ii) Not less than two thirds of the total number of Directors shall
  - (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and
  - (b) save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

**Explanation:** - for the purposes of this Article “total number of Directors” shall not include Independent Directors appointed on the Board of the Company.

- (iii) The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

**(3) Provision regarding Directors retiring by rotation.**

- a) Subject to the provisions of Section 152 of the Act at every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three the number nearest to one-third shall retire from office.
- b) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves, be determined by lot.

A retiring Director shall be eligible for reelection.

**(4) Provisions for filling up vacancies**

- At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
- If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a holiday, at the same time and place.
- If at the adjourned meeting also, the place of the retiring Director is not filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless;
  - a) at that meeting or the previous meeting, a resolution for the re-appointment of such Director has been put to the meeting and lost.
  - b) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.

- c) he is not qualified or is disqualified for appointment.
- d) a resolution whether special or ordinary is required for his appointment or re- appointment by virtue of any provisions of the Act; or
- e) Section 162 of the Act is applicable to the case.

### **91. Removal of Director**

The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be reappointed as Director by the Board of Directors.

### **92. (1) Notice of candidature when to be given**

A person who is not a retiring Director shall subject to the provisions of the said Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of Directors or as the case may be, the intention of such Member to propose him as a candidate for the office, along with deposit of one lakh rupees or such other amount as may be specified in the relevant Rules.

The amount so deposited shall be refunded to such person or, as the case may be, to the Member, if the person proposed gets elected as a Director or gets more than 25% of total valid votes.

### **(2) Consent of candidate for Directorship to be filed with the Registrar**

A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his appointment in such manner as prescribed in the relevant Rules.

### **(3) Appointment of Directors to be voted individually**

- No motion at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that is shall be so made has first been agreed to by the meeting without any vote being given against it.

- A resolution moved in contravention of clause (i) hereof shall be void, whether or not objection was taken at the time of it being so moved;
- For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointing shall be treated as a motion for his appointment.

### **93. Additional Directors**

The Directors shall have power at any time and from time to time, to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time. Each such Additional Director shall hold office only up to the date of the next following Annual General Meeting, or the last date on which the annual general meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company at that meeting as a Director.

### **94. Directors may fill vacancies**

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person 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 as aforesaid.

### **95. Appointment of Alternate Director**

- The Board of Directors may appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an Alternate Director to act for a Director (hereinafter 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.
- An Alternate Director shall be entitled to notice of meetings of the Directors, and to attend and vote thereat accordingly.
- An Alternate Director shall vacate office if and when the Original Director returns to India.

- If the term of office of the Original Director is determined before he so returns to India as aforesaid any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
- An Alternate Director may be removed by the Board of Directors which may appoint another Alternate Director in his place.

#### **96. Director may act notwithstanding vacancy**

The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below three, the continuing Directors may act for the purpose of increasing the number of Directors to the said number, or of summoning a General Meeting of the Company, but for no other purpose.

### **XX. RESIGNATION OF OFFICE BY DIRECTORS**

#### **97. Resignation of Directors**

Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated.

### **XXI. PROCEEDINGS OF BOARD OF DIRECTORS**

#### **98. Meeting of Directors**

A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business.

#### **99. Meeting through video conferencing**

The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.

#### **100. Notice of Meetings**

Subject to provisions of Section 173 (3) of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.

#### **101. Quorum for Meetings**

The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article.

Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.

**Explanation:** The expressions “interested Director” shall have the meanings given in Section 184(2) of the said Act and the expression “total strength” shall have the meaning as given in Section 174 of the Act.

#### **102. Procedure of meeting adjourned for want of Quorum**

- a. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned to the same day at the same time and place in the next week, or if that day is a national holiday, till the next succeeding day which is not a national holiday at the same time and place.
- b. The provisions of Article 175 shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which has been called in compliance with the terms of that Article could not be held for want of a quorum.

**103. Power of Quorum**

A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions by law or under the Articles and regulations for the time being vested in or exercisable by the Directors generally.

**104. When meetings to be convened**

The Chairman may, and manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

**105. Question how decided**

Questions arising at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes, the Chairman thereat shall have a second or casting vote.

**106. Chairman of Directors' meetings**

The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office, and unless otherwise determined the Chairman shall be elected annually. If no Chairman is elected, or if at any meeting the Chairman is not present within five minutes of the time appointed for holding the same, or is unwilling to preside, the Directors present may choose one of their members to be the Chairman of such meeting.

**107. Directors may appoint Committees**

Subject to the provisions of Section 179 of the said Act, the Directors may delegate any of their powers, other than powers which by reason of the provisions of the said Act cannot be delegated to committees consisting of such member or members of their body as they may think fit, and they may

from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes. Every Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors, and all acts done by any such Committee in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.

**108. Meeting and proceedings of Committee how governed**

The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by the express terms of the appointment of any such Committee, or by any regulations made by the Directors.

**109. (1) Resolution by Circulation**

A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution.

**(2) Validity of acts of Directors**

All acts done by a person as a Director shall be valid, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the said Act or in these Articles. Provided that this Article shall not give validity to acts done by a Director after his appointment has been shown to the company to be invalid or to have terminated.

**(3) Minutes of proceedings of the Board and the Committee to be Valid**

The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with these presents and section 118 of the Act.

**110. Register of Directors and Key Managerial Person**



The Directors shall cause to be kept at the Registered Office

- c. a Register mentioned in Article 158 and
- d. a Register of Contracts or arrangements of which they are interested, containing the particulars required by Section 189 of the Act.

**111. Inspection of Register**

The provisions contained in Article 107 (1)(b) and 107(2) relating to inspection and taking copies shall be mutatis mutandis be applicable to the registers specified in this Article.

**XXII. APPOINTMENT OF KEY MANAGERIAL PERSONNEL**

**112. Appointment of Key Managerial Personnel**

Subject to the provisions of the Act,

- (i) A Key Managerial Personnel may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and the Key Managerial Personnel so appointed may be removed by means of a resolution in the Board Meeting.
- (ii) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to Section 203 of the Act.

**XXIII. BORROWING POWERS OF DIRECTORS**

**113. Power to borrow and conditions on which money may be borrowed**

Subject to clause (2) hereof the Directors 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 Directors 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 of 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, or by such other means as to them may seem expedient.

#### **114. Restrictions on powers of Board**

The Board of Directors shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose

No debt by the Company in excess of limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that Article has been exceeded.

a) Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

b) Securities may be assignable free from equities

Any such debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

c) If any other offer is made to the public to subscribe for or purchase debentures the provisions of the said Act relating to a prospectus shall be complied with.

d) Issue at discount etc. or with special privilege

- Any such 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) and 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.

- The Company shall have power to reissue redeemed debentures.
- A contract with the Company to take up and pay for any debentures of the Company may be enforced by a Deed for specific performance.
- Limitation of time for issue of certificates:

The Company, shall within two months after the allotment of any of its shares, and six months after the allotment of any debentures or debenture-stock, and within one month after the application for the registration of the transfer of any shares, debentures or debenture-stock have completed and have ready for delivery the certificates of all shares, the debentures and the certification of all debenture-stock allotted or transferred, unless the conditions of issue of the shares, debentures of debenture-stock otherwise provide.

The expression “transfer” of the purpose of the clause means a transfer duly stamped, dated and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

**e) Right to obtain called capital**

- (i) A copy of any trust deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of rupees fifty (Rs. 50/-);
- (ii) The Court may also, by order, direct that the copy required shall forthwith be sent to the person requiring it.
- (iii) Inspection of Trust Deeds

The Trust Deed referred to in sub-clause (i) shall be open for inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the register of members of the Company.

**115. Mortgage of uncalled capital**

If any uncalled capital of the Company is included in or charged by any mortgagor other security, the Directors may, by instrument under the

Company's seal, authorise the person in whose favour such mortgage or other 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 call shall mutatis mutandis apply to calls 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 Directors power or otherwise, and shall be assignable if expressed so to be.

**116. Indemnity may be given**

If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

**117. Foreign register of members**

The Company may exercise the power to keep foreign register of members or debenture holders or other security holders or beneficial owners residing outside India as provided in Section 88 of the Act.

**XXIV. POWER OF DIRECTORS**

**118. Business of the Company to be managed by Directors**

(i) Subject to the provisions of Section 135, 179, 180, 181, 182, 183, 184, 185, 186, 188 and 203 of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, give all such consents, make all such arrangements, be nearly do all such acts and things as are or shall be by the said Act, and the memorandum of association and these precedents directed or authorized to be exercised, given, make or done by the Company and are not thereby expressly directed or required to be exercise, given, made or done by the Company in General Meeting, but subject to such regulations being (if any) not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulations had not been made.

(ii) Power to delegate

Save as provided by the said Act or by these presents and subject to the

restrictions imposed by Section 179 of the said Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.

#### **119. Specific Powers to Directors**

Subject to the provisions of Articles 196 but without prejudice to the General Powers thereby conferred and so as not in any way to conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers and authorities, that is to say power and authority:

1. (i) to enter into agreements with foreign components and other persons for obtaining by granting licence or other terms, formulae and other rights and benefits and to obtain financial and or technical collaboration, technical information, knowhow and expert advice in connection with the activities and business permitted under the Memorandum of Association of the Company.
  - (ii) to take over and acquire the industrial licence, import licence, permit and other rights on payment of actual and out of pocket expenses incurred thereof, and compensation for technical services rendered in connection therewith :
  - (iii) to pay and charge to the Capital /Revenue Account of the Company the legal and other costs, charges and expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company including the stamps and fees paid in respect thereof :
  - (iv) to pay and charge to the Capital / Revenue Account of the Company any commission or interest lawfully payable under the provisions of the said Act :
  - (v) To carry out activities that 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.
- 2) to purchase in India or elsewhere any machinery plant, stores and other articles and things for all or any of the objects or purpose of the Company;
  - 3) to purchase, take on lease or otherwise acquire in India any lands (whether freehold, leasehold or otherwise) and with or without houses, buildings, structures or machinery (fixed or loose) and any moveable property, rights or privileges (including intellectual property rights) from any person including a Director in furtherance of or for carrying out its objects, at or for such price or consideration and generally on such terms

and conditions and with such titled thereto as they may think fit or may believe or be advised to be reasonable satisfactory.

- 4) to purchase, or otherwise acquire from any person and to resell, exchange, and repurchase any patent for or licence for the use of any invention.
- 5) to purchase or otherwise acquire for the Company any other property, formule, concessions, rights and privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit.
- 6) in any such purchase or other acquisition to accept such titled as the Directors may believe or may be advised to be reasonably satisfactory. At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partly in cash or in shares, or in both, or in bonds, debentures, mortgages 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 bonds, debentures, mortgages or other securities, may be either specifically charged upon all or any part of the property of the Company, and its uncalled capital or not so charged.
- 7) to sell for cash or on credit or to contract for the sale and future delivery of or to and for sale in any part of India or elsewhere any products or Articles produced, manufactured or prepared by the Company as the Directors may deem advisable.
- 8) to erect, construct, and build and factories, warehouses, godowns, engine houses, tanks, wells, or other constructions, adopted to the objects of the Company or may be considered expedient or desirable for the objects or purposes of the Company or any of them;
- 9) 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 and to manufacturer, prepare and sell waste and by-products;
- 10) from time to time to extend the business and undertaking of the company by adding to, altering, or enlarging all or any of the building, factories, workshops, premises, plant and machinery, for the time being the property or in the possession of the Company, or by erecting new or additional buildings, and to expend such sums of money for the purposes aforesaid or any of them, as may be thought necessary or expedient;
- 11) 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;

- 12) to negotiate for, and subject to provisions of the Act, contract for the sale and transfer of all or any part of the property and undertaking of the Company as a going concern, subject or not subject to all or any of the obligations and liabilities of the Company;
- 13) to undertake on behalf of the Company the payment of all rents, the performance of all covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the freehold or fee- simple of all or any of the lands of the Company for the time being held under lease, or for an estate less than a free hold estate;
- 14) to improve, manage, develop, exchange, lease, sell, re-sell and re-purchase, dispose of, deal with or otherwise turn to account and property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested;
- 15) to secure the fulfillment of any contracts or engagements entered into 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.
- 16) to accept from any member, on such terms and conditions as shall be agreed upon and as far as may be permissible by law, a surrender of his shares or any part thereof;
- 17) to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsement, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes;
- 18) 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.
- 19) to make and give receipts, releases and other discharges for moneys payable to, or for goods or property belonging to the Company, and for the claims and demands of the Company;

- 20) subject to the provisions of Section 179, 180 and 186 of the said Act, to invest and deal with any moneys of the Company not immediately required of the purposes thereof, upon such security (not being shares of the Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, Save as provided in Section 187 of the said Act all investments shall be made and held in the Company's own name;
- 21) to give to any officer or other person employed by the Company including any Directors so employed, a commission on the profits of any particular business or transaction, or a share in general or particular profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company and to pay commissions and make allowances to any person introducing business to the Company or otherwise assisting its interests;
- 22) subject to the provisions of Section 187 of the said Act to appoint any person or persons (whether incorporated or not) to accept and hold in trusts for the Company any property belonging to the Company, or in which the Company is interested or for any other purposes and to execute and do all such acts, deeds and things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
- 23) to insure and keep insured against loss or damage or 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 conjointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
- 24) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
- 25) 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 for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;
- 26) to institute, conduct, defend, compound, abandon or refer to arbitration any action, suit, appeals, proceedings, for enforcing decrees and orders



and other legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, to compound or compromise and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer the same or arbitration, to observe and perform any awards made there on; to act on behalf of the Company in all matters relating to bankrupts and insolvents;

- 27) The person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to use or defend on behalf of the Company, and all and every legal proceedings and compositions or compromise, agreements, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purposes aforesaid, the Secretary or such other person may be empowered to use their or his own name on behalf of the Company, and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they or he may incur or be liable to by reason of their or his name so used as aforesaid.
- 28) to provide for the welfare of the employees or ex-employees of the Company, and the wives, widows and families or the dependants or connects of such persons and to give, award or allow any pension, gratuity, compensation, grants of money, allowances, bonus, stock options (including other stock related compensation) or other payment to or for the benefit of such persons as may appear to the Directors just and proper, whether they have or have not a legal claim upon the Company, and before recommending any dividends to set aside portions of the profits of the Company to form a fund to provide for such payments and in particular to provide for the welfare of such persons, by building or contributing to the building of houses, dwelling or chawls, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions, or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility;
- 29) before recommending any dividend, to set aside, out of the profits of the Company such sums for depreciation as provided in Section 123 of the said Act and such sums as they think proper for creating reserves, general or specific or special funds to meet contingencies or to repay debentures or debenture-stock or to pay off preference of other shareholders subject

to the sanction of the Court when the same is required by law on for payment of dividends or equalising dividend or for special dividends or bonus or for repairing, improving, extending and maintaining any part of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may in their absolute discretion think conducive to the interest of the Company and from time to time to carry forward such sums as may be deemed expedient and to invest and deal with the several sums to set aside or any part thereof as provided in Clause (18) of this Article as they think fit, and from time to time to deal with and vary such investment and dispose of and apply and expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matter to which the Directors apply or upon which they expend the same or any part thereof may be matters to and upon which the capital money of the Company might rightly be applied or expended and the Directors may divide the Reserve or any Fund into such special funds and transfer any sum from one fund to another as they may think fit and may employ the assets constituting all or any of the above funds including the Depreciation Fund or any part thereof in the business of the Company or in the purchase or repayment of debentures or debenture-stock or preference shares or in payment of special dividend or bonus and that without being bound to keep the same separate from the other assets, and without being bound to pay interest for the same with power however to the Directors at their discretion to pay or allow to the credit of such funds or any of them the interest at such rate as the Directors may think proper not exceeding 9 per cent per annum.

- 30) from time to time and at any time to entrust to and confer upon the officers for the time being of the Company, and to authorise, or empower them to exercise and perform and by Power-of-Attorney under seal to appoint any person to be the Attorney of the Company and invest them with such of their powers, authorities, duties and discretion exercisable by or conferred or imposed upon the Directors, but not the power to make Calls or other power which by law are expressly stated to be incapable of delegation as the Directors may think fit, and for such time and to be exercise for such objects and purposes and subject to such restrictions and conditions, as the Directors may think proper or expedient, and either collaterally with or to the exclusion of and in substitution for all or any of the powers, authorities, duties and discretions of the Directors in that behalf, with authority to the Secretary or such officers or attorney to sub-delegate all or any of the powers, authorities, duties, and discretions for

the time being vested in or conferred upon them and from time to time to revoke all such appointments of attorney and withdraw, alter or vary all or any of such powers, authorities, duties and discretions;

- 31) to appoint, and at their pleasure to remove, discharge, or suspend and to reemploy or replace, for the management, of the business, secretaries, managers, experts, engineers, accountants, agents, subagents, bankers, brokers, muddadums, solicitors, officers, clerks, servants and other employees for permanent, temporary or special services as the Directors may from time to time think fit, and to determine their powers and duties and fix their emoluments, salaries, wages, and to require security in such instances and to such amount as they think fit, and to ensure and arrange for guarantee for fidelity of any employees of the Company and to pay such premiums on any policy of guarantee as may from time to time become payable;
- 32) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Boards and to fix their remuneration. And from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than their power to make a Call 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 as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegate may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him.
- 33) at any time and from time to time by power-of-attorney 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 Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may 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 members, Directors, nominees, or Managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors, and any such Power-of attorney may contain such powers for the protection or convenience of persons dealing with such Attorney as the Directors may think fit.

- 34) from time to time to provide for the management transaction of the affairs of the Company outside the Registered Office or in any specified locality in India or outside India, in such manner as they think fit and in particular to appoint any person to be the Attorneys or agents of the Company with such powers, authorities and discretions (including power to sub- delegate) but not exceeding those vested in or exercisable by the Directors, and also not the power to make calls or issue debentures and for such period, and upon such terms and subject to such conditions as the Directors may think fit, and at any time to remove any person so appointed or withdraw or vary any such powers as may be thought fit, and for that purpose the Company may exercise the powers conferred by Section 88 of the Act relating to keep in any State or country outside India a foreign Register respectively and such powers shall accordingly be vested in the Directors.
- 35) for or in relation to any of the matters aforesaid or otherwise for the purpose and objects of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute, perform and do and sanction, and authorise all such acts, deeds, matters and things, including matters that are incidental and/or ancillary thereto, in the same and on behalf of the Company as they may consider expedient;
- 36) to open accounts with any bank or bankers or with any Cooperative Society, Company, firm or individual for the purpose of the Company's business and to pay money into and draw money from any such account from time to time as the Directors may think fit.
- 37) generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any Key Managerial Personnel, firm, company or fluctuating body of persons as aforesaid.
- 38) 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.

## **XXV. MANAGING DIRECTORS**

### **120. Power to appoint Managing Director**

Subject to the provisions of Section 196, 197, and 203 of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director, Joint Managing Director or Managing Directors,

Whole-time Director, Manager or Chief Executive Officer of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding five years at a time and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.

**121. What provisions he will be subject to**

A managing Director or Joint Managing Director subject to the provisions contained in Article 191 shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire but he shall, subject to the terms of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the Directors of the Company, and if he ceases to hold the office of Directors from any cause shall ipso facto and immediately cease to be Managing Director.

**122. Remuneration of Managing Director**

The remuneration of a Managing Director and Joint Managing Director shall from time to time be fixed by the Directors and may be by way of salary or commission or participating in profits or by way or all of those modes or in other forms shall be subject to the limitations prescribed in Section 197 of the Act.

**123. Powers and duties of Managing Directors**

The Directors may from time entrust to and upon a Managing Director or Joint Managing Director for the time being such of the powers exercisable under these Articles by the Directors 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 they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers, unless and until otherwise determined a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

**XXVI. SECRETARY**

**124. The Directors may from time to time appoint and at their discretion**

remove, a person (hereinafter called "the Secretary") to keep the Registers required to be kept by the Company, to perform any other function which by the said Act or by these Articles are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors.

- 125.** The Directors may any time appoint a temporary substitute for the Secretary who shall for the purpose of these Articles be deemed to be the Secretary.

## **XXVII. INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS**

### **126. Indemnity**

- a. The Board shall be entitled to meet out of the funds of the Company to defend, every officer of the Company as defined by Section 2(59) of the said Act, or any person (whether an officer of the Company or not) employed by the Company, against all claims made on them (including losses, expenses, fines, penalties or such levies), in or about the discharge of their respective duties.
- b. Every Officer of the Company, as defined by Section 2(59) of the said Act, or any person (whether an Officer of the Company or not) employed by the Company, shall be entitled to direct the company to meet all claims, losses, expenses, fines, penalties or such other levies, expended by them, respectively in or about the discharge of their respective duties, out of the funds of the Company against all such liabilities, including attorney fees, incurred by them in defending any proceedings under the Act, or other laws applicable to the Company, and/or its subsidiaries in any jurisdiction.
- c. The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), other employees and the Key Managerial Personnel, for insurers to directly meet all claims, losses, expenses, fines, penalties or such other levies, or for indemnifying any or all of them against any such liability for any acts in relation to the Company for which they may be liable.

### **127. Directors and Other officers not responsible or acts of others**

No Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely or for any loss

or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgaged to the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for any loss occasioned by any error of judgement, omission default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

- 128.** An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

#### **XXVIII. SEAL**

**129. The Seal, its custody and use**

- a. The Directors shall provide a Common 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 thereto and the Directors shall provide for the safe custody of the seal for the time being. The seal of the Company shall never be used except by the authority of a resolution of the Board of Directors and in presence of one of Directors or such other persons as the Board may authorise who will sign in token thereof and countersigned by such officers or persons as the Directors may from time to time resolve.
- b. Any instrument bearing the Common Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

#### **XXIX. NOTICES AND SERVICE OF DOCUMENTS**

**130. Members to notify Address for registration**

It shall be imperative on every member or 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. 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.

**131. Notice**

Subject to Section 20 of the said Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address (within India) supplied by him to the company for the service of notices to him.

The term courier means person or agency who or which delivers the document and provides proof of its delivery.

**132. Transfer of successors in title of members bound by notice given to previous holders**

Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by any and every notice and other document in respect of such share which previous to his name and address being entered upon the register shall have been duly given to the person from whom he derives his title to such share.

**133. When notice may be given by advertisement**

Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents 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 registered office of the Company is situate.

**134. Service of notice good notwithstanding death of member**

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 in respect of 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



presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares.

**135. Signature to notice**

Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, photostat.

**136. Service of documents on company**

A document may be served on the Company or on an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post or by Registered Post or by leaving it at its Registered Office, or by means of such electronic mode or other mode as may be specified in the relevant Rules.

**XXX. SECRECY CLAUSE**

**137. Secrecy Clause**

No member shall be entitled to visit any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process, which may relate to the conduct of the business of that Company and which in the opinion of the Directors, it will be inexpedient in the interest of the members of the Company to communicate to the public.

**XXIV. WINDING-UP**

**138.** If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid-up on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid-up capital, such surplus assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them

respectively, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.

**139. Distribution of assets in specie**

If the Company shall be wound-up whether voluntarily or otherwise, the following provisions shall take effect:

- (i) the Liquidator may, with the sanction of a Special Resolution, divide among the contributories in specie or kind any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories or any of them, as the Liquidator with the like sanction shall think fit.
- (ii) If thought fit any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on any contributory who would be prejudiced thereby shall have the right to dissent and shall have ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the said Act.
- (iii) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares, may, within seven days after the passing of the Special Resolution by notice in writing, direct the Liquidator to sell his proportion and pay him the proceeds and the Liquidator shall, if practicable, act accordingly.

**140. Liquidator may sell for shares in another company**

Any such Liquidator may, irrespective of the powers conferred upon him by the said Act and as an additional power conferring a general or special authority, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid-up or the obligations of or other interest in any other company and may by the contract of sale agree for the allotment to the members directly of the proceeds of sale in proportion to their respective interests in the Company and in case the shares of this Company shall be of different classes, may arrange for the

allotment in respect of preference shares of the Company, to obligations of the purchasing company or of shares of the purchasing company with preference or priority over or with a larger amount paid up than the shares allotted in respect of ordinary shares of this Company and may further by the contract, limit a time at the expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator.

**141. Sale under Sections 319 of the Companies Act, 2013**

Upon any sale under the last preceding Article or under the powers given by Section 319 of the said Act, no member shall be entitled to require the Liquidator either to abstain from carrying into effect the sale or the resolution authorising the same or to purchase such member's interest in this Company, but in case any member shall be unwilling to accept the share, obligations or interests to which under such sale he would be entitled, he may, within seven days of the passing of the resolution authorising the sale, by notice in writing to the Liquidator, require him to sell such shares, obligations or interests and thereupon the same shall be sold in such manner as the Liquidator may think fit and the proceeds shall be paid over to the member requiring such sale.

**XXV. GENERAL POWERS**

**142.** Where any provisions of the said Act, provides that the Company shall do such act, deed, or thing, or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf.

We, the several persons whose names, address and descriptions hereunder subscribed below are desirous of being formed into a Company in pursuance of these ARTICLES OF ASSOCIATION and we respectively agree to take the number of shares in the capital of the company set opposite to our respective names :

Name, Address, Descriptions and occupation of each subscriber	Number of Equity shares taken by each subscriber	Signature	Signature, Names, Addresses, descriptions & occupation of the Witness
<p>Ramnklal Nyalchand shah son of Nyalchand H. Shah 12, Ram Nivas, Plot 226/227. Sion (East), Bombay- 400 022. ----Merchant</p>	<p>1 One equity</p>	<p>Sd/-</p>	<p>Sd/-</p> <p>CHHOTALAL NIMCHAND SANGHAVI SON OF NIMCHAND SANGHAVI MANI BHUVAN, 1<sup>ST</sup> FLOOR, 9-11, SADASHAIV LANE, BOMBAY- 4000004.</p>
<p>Dhirajlal Tarachand Shah son of Tarachand Harakchand Shah 228, Parekh Building, sion (East), Bombay-400022. ---Merchant</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Kantilal Nyalchand Shah Son of Nyalchand H. Shah Plot No. 209, E Sion. Matunga Road, Sion (East) Bombay-400022. ----Merchant</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Prafull Jivrajbhai Sheth Son of Jivrajbhai Sheth 50, Mount Unique, 62-A, Peddar Road, Bombay-400026. ----Engineer</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Chandrakant Nandlal Kothari Son of Nandlal Keshavji Kothari Sagar Darshan, 81/83, B. Desai road, Bombay- 400001 ---Engineer</p>	<p>1 One equity</p>	<p>Sd/-</p>	
<p>Total</p>	<p>5 Five Equity</p>		

Bombay, dated 20<sup>th</sup> May, 1967