

**THE COMPANIES ACT, 1956**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**JD ORGOCHEM LIMITED**

- I. The name of the Company is JD ORGOCHEM 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 :-
  - A. **MAIN OBJECTS OF BE PURSUED BY THE COMPANY ON ITS INCORPORATION :**
    1. To carry on the business of manufacturers of and dealers in dyes, dyes intermediates, organic chemicals, textile auxiliaries, resins, pigments, plastisizers, emulsions, as the Company from time to time determine and the selling and disposing of the same.
    2. To manufacture, refine, manipulate, import and export and deal in heavy Chemicals, alkalls, acids, drugs, tannins, essences, salts, and marine minerals, pharmaceuticals, sizing medicinal and photographic, chemicals, Industrial, mineral and other waters, cement, oil, paints, pigments, and varnishes, compounds, drug, dye-organic or mineral intermediates, paints and colour grinders, chemical and photographic.

3. To carry on business as manufacturers of Chemicals distillers, dye and dyes Intermediates, and to buy, sell, prepare for the market import, export the same.
4. To carry on the business of manufacturers and products of fats, fertilisers, manures, clips, sprays, vermifuges, fungicides, medicines, and remedies for agricultural, fruit growing or other purposes or as remedies for men or animals and whether produced from vegetable or animal matter or by any chemical process.

**(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :**

5. To manufacture and produce and either as principals or agents, trade and deal in any articles belonging to any business which the company may carry on and all apparatus, appliances, and things used in connection therewith or with any inventions patents, or privileges for the time being belonging to the Company.
6. To do all or any of the above in all any of the States in India and/or in any part of the world and either as principals, agents, contractors, trustees or otherwise, and by or through trustees, attorneys, agents or otherwise, and either alone or in conjunction with others, and to do all such other things as are incidental or conducive to the attainment of the above objects or any of the them.
7. To carry on business as importers, exporters, manufacturers merchants or dealers in ores, metals and metalware, chemicals and other preparations, processes and articles, second hand or used machinery, tools, scrap metal and metallic residues, engineering products and by-products and waste and scrap materials, good of any kind and other trade or business whatsoever.
8. To carry on the business of thing and to crush, win, get, quarry smelt, calcine, refine, dress, amalgamate and prepare for market, ore, metal and mineral substances of all kinds and carry on any other metallurgical operations which may seem conducive to the Company's objects.
9. To apply for, tender, purchase or otherwise acquire any contracts, sub-contracts, licences, and concessions for or in relation to the objects or business herein mentioned or any of them and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
10. To carry out research and develop any special alloys for use in manufacture or sale and distribution.

11. To buy, sell, manufacture, plant, cultivate, produce, prepare, treat, repair, alter, manipulate, exchange, hire, let on hire, import, export, dispose of and deal in all kinds of articles, and things which may be required for the purposes of any of the business which the Company is expressly or by implication authorised by this Memorandum to carry on or which are commonly supplied or dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with the connection with any of the said business of the company.
12. To take or otherwise acquire and hold shares in any other company, and to pay for any properties, right or privileges acquired by this Company, either in shares of this Company or partly in shares in cash, or otherwise and to give shares or stock of this Company in exchange for shares or stock of any other company.
13. Generally to carry on business as financiers and guarantors and to undertake and to carry out all such operations and transactions (except insurance business within the meaning of the Insurance Act and business of banking within the meaning of the Banking Companies Act) as an individual capitalist may lawfully undertake and carry on.
14. To advance or lend money such persons or companies and on such terms as may seem expedient and in particular to persons having dealing with the company and to guarantee the performance of the contracts by any such persons or companies.
15. To purchase take in exchange or on lease, rent, hire, occupy or otherwise acquire for the purpose of the company as also for investment or resale, any lands, mills, industrial concern, factory, houses, shops, with or without licences, depots, warehouses, cottages and other buildings, and premises, easements, licences, to other rights and interest in or with respect to any lands; buildings, and premises as also machinery, plant, goods, in process, stock-in-trade, mines, minerals, rights, and privileges as may be found necessary or suitable for the purpose of the Company.
16. To purchase or by any other means acquire and protect, prolong and renew, whether in India or elsewhere, any patents, rights, processes and secrets, brevets, invention licences, protections and concessions which may appear likely to be advantageous or useful to the Company; and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money experimenting upon and testing in improving or seeking to improve any patents, inventions, processes, secrets and which the company may acquire propose to acquire.

17. To enter into contracts, agreements and arrangements with any other company for the carrying out by such other company on behalf of the Company any of the objects for which the company is formed.
18. To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property's or rights.
19. To establish, and maintain agencies, branches and appoint representative in any part of the world for the conduct of the business of the Company or for the purchase, sale or exchange either for ready delivery or future delivery, of all types of machinery, merchandise, commodities, goods, wares, materials, produce, products, articles and things required for or dealt in or manufactured by or at the disposal of the Company and to transact all kinds of agency business.
20. To enter into partnership, or into any agreement for sharing profits, union of interest, co-operation, joint adventure, reciprocal concession or otherwise with any person or company carrying on or engaged in any business or transaction with this Company is authorised to carry on, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company, and to lend-money to guarantee the contracts of or otherwise assist or subsidise such person or company and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same and to give to any person or company special rights and privileges in connection with or control over this Company, and in particular the right to nominate one or more Directors of the Company.
21. To enter into agreements and arrangements with any Government or Authorities, supreme, municipal, local or otherwise which may seem conducive to the Company's objects or any of them and to obtain from any such Government or Authority any right or privileges and concessions which the Company may think desirable to obtain, and to carry out, exercise and comply with any such agreements, rights, from any such Government or Authority any right or privileges and concessions which the Company may think desirable to obtain, and to carry out, exercise any comply with any such agreements, rights, privileges and concession, and to oppose the grant of any such rights privileges or concessions to others.

22. To build, alter, construct and maintain any mills, factories, foundries, iron and steel refineries, furnaces, buildings, warehouses, shops, chawls, sheds, dwellings, houses, reservoirs, tanks, roads, tramways, pipelines bridges, or railways, landing grounds and canals and other buildings or works necessary or convenient for the purposes of the Company or which can be conveniently used in connection therewith and to enlarge, alter and improve same or the existing mills, factories, etc.
23. To incur debts and obligations for the conduct of any business of the company and to purchase or hire goods, materials, or machinery on credit or otherwise for any business or purpose of this Company.
24. To borrow or raise moneys, at interest or otherwise, in such manner as the Company may think fit, and in particular by the issue of debenture-stock, perpetual or otherwise, including debentures or debenture convertible into shares of this or any other company, or perpetual annuities, and in security of any such money so borrowed, raised or received to mortgaged, hypothecate, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise, and to transfer or convey the same absolutely or in trust to give the lenders powers of sale and other powers as may seem expedient, and to purchase, redeem, exchange, vary, extent, or pay off and from time to time re-issue any such securities. But the Company shall not do any banking business as defined in the Banking Companies Act, 1949.
25. To open current, overdraft, loan, cash credit, or deposit account or account with any bank, company, firm or person.
26. To draw, make accept, endorse, discount, execute, retire, discharge, negotiate, and issue cheques promissory notes, bills of exchange, hundies, bills of lading, wareants, warehousekeeper contracts, debentures, and other negotiable or transferable instruments and to buy, sell and deal in the same.
27. To employ or otherwise acquire technical experts, engineers, mechanics, foremen and skilled and unskilled labour for any of the purpose or business of the Company.
28. To procure the incorporation, registration or other recognition of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any

parliament, Local Government, Municipal or other authority or body Indian, British, Colonial or foreign, for any acts of Parliament, laws, decrees, concession, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly to prejudice the Company's interests.

29. To pay all or any expenses incurred in connection with the formation, promotion or incorporation of this Company or any other company or of or incidental to the winding up of any company the whole or part of the property whereof is acquire by this Company or it in which this Company may be interested.
30. To insure with any person or company against losses, damages, risks, and liabilities of any kind which may affect the Company either wholly or partly.
31. To provide for the welfare of the directors, Officers, employees and ex-directors and ex-employees of the Company and the wives, widows and and families or the dependents or connection of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of money pensions, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident or other association, institutions, funds, or trusts, and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, political, or other institutions and objects which shall have any moral or other claim to support or aid by the Company either by reason or locality of operation or of public or general utility or otherwise.
32. To remunerate (but cash or otherwise or by other assets or by allotment or fully or partly paid shares credited as fully or paid up or in any other manner) any persons, firms, associations, or companies for services rendered or to be rendered in giving technical aid and advice, granting licences or permissions for the use of patents, trade marks, processes and in acting as trustees for debenture-holders or debenture-stock holders of the Company or for subscribing or agreeing to subscribe subscriptions whether absolutely or conditionally or for procuring or agreeing to procure subscriptions whether absolute or conditional for any shares, debentures, or debenture-stock, or other securities of the Company or for services rendered in or about the formation

or promotion of the company or for guaranting payment of such debenture-stock or other securities and any company promoted by this Company or in introducing any property or business of the Company or in or about the conduct of the business of this Company or interest thereon.

33. To adopt such means of making known the products of or the business carries on by the Company as may seem expedient and in particular by advertising in press, by circulars, by purchase or exhibition of work of art and interest, by publication of books and periodicals and by granting prizes awards and donations.
34. To donate, contribute, subscribe, promote, support or aid or otherwise assist or guarantee money or charitable, benevolent, religious, scientific, national, public or other institutions fund or objects or for any public, general or other objects.
35. To create any Depreciation Fund, Reserve Fund, Sinking Fund, Insurance Fund, or any other special fund, whether for depreciation or for repairing, improving, extending, or maintaining any of the property of the Company, or for any other purposes conducive to the interest of the Company.
36. To accumulate funds and to lend, invest or otherwise employ money belonging or entrusted to the Company upon securities and shares or without security, upon such terms as may be thought proper, and from time to time to vary such transactions, in such manner as the Company may think fit, but not to do the business of banking within the meaning of the Banking Companies Act.
37. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined by the Board.
38. To form, establish promote, subsidize, aid, acquire, organize or be interested in any company, syndicate or partnership for the purpose of acquiring by purchase, exchange, or otherwise, all or any of the property and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company or which may seem capable of being conveniently carried on in connection with any of the objects of the Company.
39. To sell, improve, manage, develop, exchange, lease, surrender, accept, surrenders of leases, mortgage, charge, repair, extend, maintain, assign, transfer, enfranchise, dispose of, turn to account, or otherwise deal with or all or any part of the property undertaking, assets and rights of the Company may think fit and in particular for shares, debentures, bonds or securities and to grant and create in

perpetuity, or for at terms of years only, rent charges or ground rents out of any of the Company's real or leasehold property, and to sell and property in consideration wholly or partly of a rent, change or around rent and to sell, mortgage, redeem, or otherwise deal with any such rents.

40. To amalgamate with any other company having objects all together or in part similar to those of this Company.
41. To refer or agree to refer any claim, demands, disputes, or any other question, by or against the Company or in which the Company is interested or concerned, and whether between the Company and the member or members or his or their representatives, or between the Company and third party, to arbitration in India or at any place outside India and to observe and perform and to do all acts, deeds, matters, and things to carry out or enforce the awards.

**C. OTHER OBJECTS OF THE COMPANY NOT INCLUDED IN SUB-CLAUSE (B) ABOVE:**

42. To carry on business as general agents, commission agents selling and purchasing agents, sole agents, merchantile agents, and to acquire and to exploit agencies of all kinds and to do commission agency business in all its branches and to transact all kinds of agency business.
43. To carry on the business of dealers in karlana, dry fruits, spices, herbs, agricultural products, as whole sellers, retailers and agents.
44. To carry on the business of dealers in fibers, yarn and textiles of various kinds.
45. To carry on business of manufacturer, assemblers, dealers, importers, exporters of computers, printers, computer parts, accessories, electronic instruments, hardware and software including programmes, systems and other operation facilities.
46. To purchase, take over or acquire for cash or by exchange or otherwise, all or any part of the goodwill, business, undertaking, property, rights, assets and liabilities of any persons or company, and to conduct expand and develop or windup and liquidate such business, and to purchase and take steps for the acquisition of existing and new licences in connection with any such business.

AND IT IS HEREBY DECLARED that the word "COMPANY" in this clause shall be deemed to include any authority, partnership, or other body of persons, whether incorporated or not incorporated and whether domicilled in India or elsewhere.



**IV. The liability of members is limited.**

**A. The Authorised Share Capital of the Company is Rs.300,000,000/- (Rupees Three Hundred Million only) divided into 29,880,000 (Twenty Nine Million Eight Hundred Eighty Thousand only) Equity Shares of Rs.10/- (Rupees Ten only) each and 12,000 (Twelve Thousand only) 9% Preference Shares of Rs.100/- (Rupees One Hundred only) each.**

**B. The Company has power to increase or reduce the Share Capital with the rights privileges, and conditions attaching hereto as are provided by the Articles of Associations of the company for the time being, with the power to divide the share in the capital for the time being into several classes and to attach thereto respectively into preferential qualified or special rights privileges or conditions as may be determined by or in accordance with the Articles of Association of the company for the time being and to vary modify or abrogate any such rights privilege or conditions in such manner as may be permitted by the companies Act 1956 or statutory modification thereat or provided by the Articles of Association of the company for the time being.**

We, the several persons, whose names, addresses and occupations are hereunder subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names :

Signature, Name, Address Description and Occupation of Subscribers	Number of Shares taken by each Subscriber.	Signature, Name, Address, Description and Occupation of Witness.
<p>Sd/- Shri Sharadchandra Shoorji Kothari. Guru Nanak House, 20/8, Rafi Ahmed Kidwai Road, Wadala, Bombay-400 031. BUSINESS S/o Shoorji Kothari.</p>	<p>10 Ten Equity Shares</p>	<p>Sd/- Maganlal Thacker, Maganlal Jivram Thacker, 7, Gola Lane, Fort, Bombay - 400 001.</p>
<p>Sd/- Smt. Jayshree S. Kothari, Guru Nanak House, 20/8, Rafi Ahmed Kidwai Road, Wadala, Bombay - 400 031.  BUSINESS  W/o Sharadchandra Kothari.</p>	<p>10 Ten Equity Shares</p>	<p>S/o Jivram Thacker  CHARTERED ACCOUNTANT</p>
<p>TOTAL</p>	<p>20 Twenty Equity Shares.</p>	

Bombay Dated this 18th day of September 1973.

**COMPANIES ACT, 2013**  

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**COMPANY LIMITED BY SHARES**  

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**ARTICLES OF ASSOCIATION**  
**OF**  
**JD ORGOCHEM LIMITED**

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**PRELIMINARY**

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company so far as they are not inconsistent with or repugnant to any of the regulations contained in the Articles of Association of the Company.

**INTERPRETATION**

2. In the construction of these articles:

“The Act” means “The Companies Act, 2013” for time being subsisting.

“The Company” means JD ORGOCHEM LIMITED.

**SHARE CAPITAL**

3. The Authorised Share Capital of the Company will be as that specified in Clause V of the Memorandum of Association from time to time in accordance with the regulations of the Company and the legislative provision for the time being in force in this behalf and each with power to increase or reduce the Capital and to divide the shares in the Capital for the time being into several classes and to attach thereto, respectively, such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify, abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or provided by the regulations of the Company for the time being. Capital
4. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue Preference Shares which, at the option of the Company are liable to be redeemed and redemption with the terms and conditions of their issue and failing that in such manner as the Directors think fit. On the Redeemable Preference Shares

issue of Redeemable Preference Shares under the provisions of this Article, the following provisions shall take effect for redemption:-

- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available of dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption:
  - (b) no such shares shall be redeemed unless they are fully paid:
  - (c) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's 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 as dividend be transferred to a reserve fund to be called 'Capital Redemption Reserve Account' sum equal to the nominal amount of the shares redeemed and the provisions of the Act, relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
- 5 Subject to the provisions of the Act and all other applicable provisions of law, the Company may issue shares, either equity or any other kind with non - voting rights and the resolutions authorising such issue shall prescribe the terms and conditions of the issue.
- 6 The Company may from time to time by special resolution, subject to confirmation by the Court or the Tribunal (as may be applicable) and subject to the provisions of Sections 52, 55 and 66 of the Act, and other applicable provisions, if any, reduce its share capital in any manner and in particular may –
- Reduction of Capital
- (a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or
  - (b) either with or without extinguishing or reducing the liability on any of its shares, -
    - (i) cancel any paid up share capital which is lost or is unrepresented by available assets;
    - (ii) pay off any paid up share capital which is in excess of the wants of the Company.
- 7 Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other securities, and the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals, as may be permitted by law.
- Buy back of shares
- 8 Subject to the provisions of Section 61 of the Act, the Company in general meeting may from time to time by an ordinary resolution alter its Memorandum to:
- Consolidation, division, Subdivision and
- (a) Consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- cancellation of shares

- (b) Sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) Cancel any shares which, at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled; A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.

Whenever the Company does any one or more of the things provided for in the foregoing sub-clauses (a), (b) and (c), the Company shall, within thirty days thereafter give notice thereof to the Registrar as required by Section 64 of the Act, specifying, as the case may be, the shares consolidated, divided, sub-divided or cancelled.

### **LIEN**

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| 9 | <ul style="list-style-type: none"> <li>(a) The Company shall have a first and paramount lien—           <ul style="list-style-type: none"> <li>(i) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</li> <li>(ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:</li> </ul> </li> </ul> | Company to have<br>lien of Shares |
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Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (b) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

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| 10 | The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: | As to enforcing<br>lien by sale |
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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.

### **CERTIFICATES**

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| 11 | <ul style="list-style-type: none"> <li>(a) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of</li> </ul> | Issue of<br>Certificate |
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issue shall be provided,-

- (i) one certificate for all his shares without payment of any charges; or
  - (ii) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (b) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

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

- 12 The Directors may in their absolute discretion refuse the subdivision of share certificate where sub division will result in the issue of certificate for number of shares, which is less than the marketable lot unless the sub-division is required to be made to comply with a statutory provision or an order of competent court of law. Sub-division of Share certificate
- 13 (a) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. As to issue of certificate for splitting up and consolidation and in place of those defaced, lost
- (b) When a new share certificate is issued in pursuance of clause (a) of this Article, it shall be stated prominently on the face of it and against the stub or counterfoil to the effect that it is "*issued in lieu of share certificate No.....*" and the word "Duplicate" shall be stamped or printed or punched prominently in bold letters on the face of the share certificate.
- (c) The particulars of every share certificate issued in accordance with sub-rules (a) and (b) shall be entered forthwith in a Register of Renewed and Duplicate Share Certificates indicating against the name(s) of the person(s) to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross-references in the "Remarks" column.
- (d) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board and the blank form shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the secretary or such other person as the Board may authorise for the purpose; and the Company secretary or other person aforesaid shall be responsible for rendering an account of these forms to the Board.

#### UNDERWRITING

- 14 Subject to the provisions of Section 40 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or Commission may be paid

agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures or debenture stock in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock 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 a half percent of the price at which the debentures are issued. Such commission shall be paid either out of the proceeds of the issue or the profit of the Company or both. Subject to the provisions of the Act, any commission payable as aforesaid 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.

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| 15 | Where the Company has paid any sum by way of commission in respect of any shares or debentures such statement thereof shall be made in the Annual Return as required by Section 92 of the Act. | Commission to be included in Annual return |
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**CALLS ON SHARES**

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| 16 | (a) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: | Board may make calls |
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Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- |     |  |                               |
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| (b) | Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.  |                               |
| (c) | A call may be revoked or postponed at the discretion of the Board.   |                               |
| 17  | A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.   | Call to date from resolution  |
| 18  | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.  |                               |
| 19  | (a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate, if any, as the Board may determine.  | When interest on call payable |
| (b) | The Board shall be at liberty to waive payment of any such interest wholly or in part.   |                               |
| 20  | (a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. |                               |
| (b) | In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or   |                               |

otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

- 21 The Board -
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
- Payment in anticipation of calls may carry interest

### TRANSFER OF SHARES

- 22 (a) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
- (b) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 23 The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register -
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the Company has a lien.
- 24 The Board may decline to recognise any instrument of transfer unless –
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
- To be executed by transferor and transferee
- Directors may refuse to register transfers

- 25 On giving not less than seven days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Transfer books when closed

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### TRANSMISSION OF SHARES

- 26 (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- Death of one or more joint holders of shares



- (b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 27 (a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --
- (i) to be registered himself as holder of the share; or
  - (ii) to make such transfer of the share as the deceased or insolvent member could have made.
- (b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 28 (a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

- 29 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Persons entitled may recover dividend without being registered as member

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

**SHARES UNDER CONTROL OF DIRECTORS**

- 30 Subject to the provisions of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such person on such terms and conditions and at such time as they think fit and with full power subject to the sanction of the Company in General Meeting to give any person the option to call for or be allotted shares of any class of the Company either at a premium or at par subject to the provisions of Section 52 of the Act and for such time for such considerations as the Directors think fit. Provided that option to call shall not be given to any person except with the consent of the General Meeting.

Shares under control of Directors

## NOMINATION

- 31 (a) Every shareholder or debenture holder of the Company may, at any time, nominate in the prescribed manner, a person to whom his shares in, or debentures of the Company shall vest in the event of his death. Nomination
- (b) Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company as the case may be, shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debenture holder or as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (d) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the Company, in the event of his death, during the minority.

## TRANSMISSION OF SECURITIES BY NOMINEE

- 32 (a) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either: Transmission of securities by Nominee
- (i) to be registered himself as holder of the shares or debentures, as the case may be; or
- (ii) to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debenture holder, could have made.
- (b) If the Nominee elects to be registered as a holder of the shares or debentures himself as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied by the death certificate of the deceased shareholder or debenture holder as the case may be.
- (c) A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the shares or debentures except that he shall not, before being registered as a member in respect of his shares or debentures, be entitle in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not completed ~~with~~ within ninety days, the

Board may thereafter withhold payment of all dividends, bonuses, or other moneys payable or rights accruing in respect of the shares or debentures, until the requirements of the notice have been complied with.

### **MODIFICATION OF RIGHTS**

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| 33 | <p>(a) If at any time the share capital is divided into different classes of share a the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders, of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class. To every such separate meeting the provisions of these Articles relating to General Meetings shall apply, except that the necessary quorum shall be two persons, at least holding or representing by proxy one-tenth of the issued shares of the class but if at any adjourned meeting of such holders a quorum as above defined is not present, those Members who are present shall be a quorum and any holder of shares of that class present in person or by proxy may be demand a poll and on a poll shall have one vote for each share of the class of which he is the holder.</p> <p>(b) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation of issue of further shares ranking pari passu herewith.</p> | <p>Rights attached to any class of shares may be varied</p> |
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### **DEMATERIALISATION OF SECURITIES**

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| 34 | <p>(a) Notwithstanding anything contained in these articles the Company all be entitled to dematerialise its existing securities and/or often fresh securities for subscription in a dematerialised form pursuant to the Depositories Act and the rules framed there under. Additionally, on the investor exercising an option to hold his/her securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise his/her securities, in which event, the rights and obligations of the parties concerned shall be governed by the “Depositories Act”.</p> <p>(b) Every person subscribing to securities offered by the investors Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at anytime opt out of a depository, if permitted by the law, in respect of security in the manner provided by the Depositories Act 1996, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.</p> <p>(c) If a person opts to hold his security with the depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p> <p>(i) Notwithstanding anything to the contrary contained in Depositories Act, or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.</p> | <p>Dematerialisation of securities</p> <p>Option for investors</p> <p>Rights of Depositories beneficial owners</p> |
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- (ii) Save as provided in sub-clause (a) above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- (d) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to Securities held with a Depository. Distinctive number of securities held in Depository
- (e) All securities held by a depository shall be dematerialised and shall be in fungible form.
- (f) Notwithstanding anything contained in the Act or these Articles, in the case of transfer or transfer or transmission of securities, where the Company has not issued any certificates and where such securities are being held in an electronic and fungible form with a depository, the provisions of the Depositories Act, 1996 shall apply. Transfer and Transmission of securities
- (g) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs. Service of documents
- (h) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities. Allotment of securities dealt within depository
- (i) If a beneficial owner seeks to opt out of a depository in respect of any Security, the beneficial owner shall inform the depository accordingly.
- The depository shall, on receipt of such intimation, make appropriate entries in its records and shall inform the Company.
- The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfilment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificate of securities to the beneficial owner or the transferee, as the case may be.
- (j) The Register and index of beneficial owners maintained by a depository under Section 11 of the Depository Act, 1996 shall be deemed to be the Register and Index of Members for the purposes of the Act. Register and Index of beneficial owner
- (k) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the Beneficial owner to be absolute owner

part of any other person whether or not it shall have express or implied notice thereof.

(l) No stamp duty would be payable on shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium form. Stamp duty

(m) In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a depository, the provisions of the **Depository Act, 1996** shall apply. Applicability of Depository Act

#### **COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS**

35 The Company shall subject to the payment of the fee prescribed under Section 17 of the Act, or its statutory modification for the time being in force, on being so required by a member, send to him with seven days of the requirement, a copy of each of the following documents as in force for the time being. Copies of Memorandum and Articles of Association to be sent to members

(a) The Memorandum,

(b) The Articles, and

(c) Every agreement and every resolution referred to in sub-section (1) of Section 117 of the Act, if and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

#### **BORROWING POWERS**

36 Subject to the provisions of Section 179 and 180 of the Act and of these Articles, the Directors may, from time to time, at their discretion, by a resolution passed at a meeting of the Board accept, deposits from Members, either in advance of calls or otherwise and generally raise or borrow or secure the payments of moneys for the purpose of the Company, not exceeding the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purposes). Provided, however, where the moneys to be borrowed, together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aforesaid aggregate the Directors, shall not borrow such moneys without the consent of the Company by a resolution in General Meeting and secure payment or repayment of any moneys borrowed in such manner and upon such terms and conditions in all respects as they think fit and in particular, by the issue of bonds or debentures of the Company, or any mortgage, charge or other security upon all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being. Power to borrow

37 Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise, Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Terms of issue of debentures

Provided that debentures with the right to allotment of or conversion into shares shall not be issued except in conformity with provisions of Section 62 of the Act and Subject to the provisions of Section 71 thereof.

Save as provided in Section 56 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates or certificate of the debentures.

### GENERAL MEETINGS

- 39 (a) The Company shall, in each year hold in addition to any other meeting, a general meeting as its Annual General Meeting in accordance with the provisions of Section 96 and 129 of the Act and shall specify the meeting as such in the notice calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next. General meeting

Provided that if the Registrar shall have for special reasons extended the time within which any Annual General Meeting shall be held, such Annual General Meeting may be held within the additional time.

- (b) Every Annual General Meeting shall be called for any time during business hours on a day that is not a public holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated for the time being.

- 40 At every annual general meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with Proxies, and the Register of Directors and Key Management Personnel maintained under Section 170 of the Act. Report, Statement and Registers to be laid before the annual general meeting.

- 41 All general meetings other than annual general meeting shall be called Extra-Ordinary General Meeting. Extra-ordinary General Meeting

- 42 The Company shall comply with the provisions of Section 92 of the Act, regarding the filing of Annual Return and as regards the annual return and certificates to be annexed thereto. Annual return

- 43 The Register required to be kept and maintained by the Company under Section 88 of the Act, and copies of the annual return filed under Sections 92 of the Act, shall be kept at the registered office of the Company. Place of keeping and Inspection of registers and returns

Provided that such registers or copies of return may, also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved for this purpose by a Special Resolution passed in general meeting of the Company and the Registrar has been given a copy of the proposed Special Resolution in advance.

- 44 (a) The registers and their indices, except when they are closed under the provisions of the Act, and the copies of all the returns shall be open for inspection by any member, debenture holder or other security holder or beneficial owner, during the business hours (subject to such reasonable restrictions as the Company may impose) without fee and by any other Inspection

person on payment of such fees as may be prescribed under the Act and the rules made thereunder.

- (b) Any such member, debenture-holder, other security holder or beneficial owner or any other person may take extracts from any register, or index or return without payment of any fee or require a copy of any such register or entries therein or return on payment of such fees as may be prescribed under the Act not exceeding ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.
  - (c) The Company shall cause any copy required by any person under Clause (b) of sub-clause (3) to be sent to that person within a period of seven days of the deposit of such fees exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.
- 45 (a) Subject to the provisions of Section 111 of the Act, the Directors shall on the requisition in writing of such number of members as required in Section 100 of the Act:-
- Circulation of member's resolution
- (i) give notice to the members of the Company of any resolution which may properly be moved and is intended to be moved at a meeting;
  - (ii) circulate to members, any statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
- (b) Subject to the provisions of Section 100 of the Act, the number of members necessary for a requisition under clause (a) hereof shall be such number or numbers who hold, on the date of receipt of the requisition, not less than one-tenth of the paid-up share capital of the Company as on that date carried the right of voting.
- (c) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless :
- (i) a copy of a requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the registered office of the Company
    - (a) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting,
    - (b) in the case of any other requisition not less than two weeks before the meeting, and
  - (ii) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.

Provided that if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called on a date within six weeks after such copy has been deposited, the copy, although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.

- (d) The Company shall not also be bound under this Article to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Central Government by order declares that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.
- 46 The Directors may, whenever they think fit convene an extraordinary general meeting and they shall on requisition of the members as hereinafter provided, call an extraordinary general meeting of the Company within the period specified below. Extra-ordinary General meeting by Board and by requisition
- 47 In case of requisition the following provisions shall have effect: Contents of requisition and conduct of meeting
- (a) The requisition shall set out the matters for the consideration of which the meeting is to be called, and shall be signed by the requisitionists and sent to the registered office of the Company.
- (b) The number of members entitled to requisition an extraordinary general meeting shall be such number of members who hold at the date of the receipt of the requisition, not less than one-tenth of such of the paid up capital of the Company as on that date carries the right of voting.
- (c) If the Board does not, within twenty-one days from the date of the deposit 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 requisitionists themselves within a period of three months from the date of the requisition.
- (d) A meeting called under clause (c) by requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
- (e) Any reasonable expenses incurred by the requisitionists in calling a meeting under sub-clause (3) shall be reimbursed to the requisitionists by the Company, and any sums so paid shall be deducted from any fee or other remuneration under Section 197 of the Act payable to such of the Directors who were in default in calling the meeting.
- 48 A general meeting of the Company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed by the Act and the rules made thereunder. Length of Notice of meeting
- Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.
- 49 (a) Every notice of a meeting of the Company shall specify the place, date, day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Contents and manner of service of notice
- (b) The notice of every meeting shall be given to:
- (i) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;
- (ii) the Auditor or Auditors for the time being of the Company; and
- (iii) every director of the Company.



- (c) 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 at the meeting 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 of the Company.
- 50 (a) (i) 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 :
- (a) The consideration of financial statements and the reports of the Board of Directors and Auditors;
- (b) The declaration of any dividend;
- (c) The appointment of Directors in the place of those retiring; and
- (d) The appointment of, and the fixing of the remuneration of the Auditors
- (ii) In the case of any other meeting, all business shall be deemed special;
- Provided that where any item of special business to be transacted at a meeting of the Company relates to or affects any other Company, the extent of shareholding interest in that other Company of every promoter, Director, manager, if any, and of every other key managerial personnel of the Company shall, if the extent of such shareholding interest is not less than two per cent of the paid-up share capital of that Company, also be set out in the statement.
- (b) Where any item of business refers to any document which is to be considered by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
- 51 Any accidental omission to give any such notice as aforesaid to, or the non-receipt thereof by any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of any such meeting.
- 52 No general meeting, annual or extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.
- 53 The number of members prescribed under Section 103 of the Act, and entitled to vote and present in person shall be a quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.
- 54 (a) If within half an hour from the time appointed for holding a meeting of the Company the quorum is not present,
- (i) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine; or
- (ii) the meeting, if called by requisitionists in accordance with Section 100 of the Companies Act, 2013, shall stand cancelled.

Special and Ordinary business and explanatory statement

Omission to give notice not to invalidate a resolution passed

Notice of business to be given

Quorum

Presence of Quorum

Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under subclause (i) the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

- (b) If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum and may transact the business for which the meeting was called.
- 55 Where a resolution is passed at an adjourned meeting of the Company, the resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. Resolution passed at adjourned meeting
- 56 The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting. Chairman of General meeting
- 57 No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.
- 58 (a) The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time from place to place. Chairman may adjourn meeting
- (b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 59 At any general meeting, a resolution put to the vote of the meeting shall unless a poll is demanded under Section 109 of the Act, or the voting is carried out electronically, be decided on a show of hands. Vote by show of hands
- 60 A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company shall be conclusive evidence of the fact of passing of such resolution, or otherwise, without proof of the number or proportion of votes in favour or against such resolution. Declaration of results of show of hands
- 61 (a) Before or on the declaration of result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by the members present in person or Demand for poll

by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid-up.

(b) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

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| 62 | A poll demanded for adjournment of the meeting or appointment of Chairman of the meeting shall be taken forthwith. A poll demanded on any question other than adjournment of the meeting or appointment of a Chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.   | Time of taking poll  |
| 63 | In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.  | Chairman's casting vote                                      |
| 64 | Where a poll is to be taken, the Chairman of the meeting shall appoint one scrutinizer to scrutinise the vote given on the poll and to report thereon to him. Subject to the provisions of Section 109 of the Act, the Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.  | Scrutinizer's at poll  |
| 65 | The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.   | Demand for poll not to prevent transaction of other business |
| 66 | Subject to the provisions of Section 110 of the Act, and these Articles, and as may be applicable by law, the Company shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and may, in respect of any item of business, other than ordinary business and any business in respect of which directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting. | Vote by Postal ballot  |
| 67 | Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one percent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up and the Company shall give its members notice of the resolution in such manner as may be prescribed.   | Special notice   |
| 68 | A copy of each of every resolutions or agreement in respect of the following matters together with the explanatory statement under Section 102 of the Act, if any, annexed to the notice calling the meeting in which such resolution is proposed, shall be filed with the Registrar within thirty days of the passing or making thereof in such a manner and with such fees as may be prescribed within the time specified under Section 403 of the Act.  | Registration of documents with the Registrar                 |

(a) Every special resolution.

- (b) Every resolution which has been agreed to by all members of the Company, but which, if not so agreed to, would not have been effective for the purpose unless it had been passed as a special resolution.
- (c) Every resolution of the Board of Directors or agreement executed by the Company relating to the appointment, re-appointment or renewal of appointment or variation in the terms of appointment of a Managing Director.
- (d) Every resolution or agreement which has been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for the purpose unless it had been passed by a specified majority or otherwise in some particular manner; and every resolution or agreement which effectively binds all the members or any class of shareholders though not agreed to by all those members.
- (e) Every resolution passed by the Company according consent to the exercise by the Board of Directors of any of the powers under clause (a), and clause (c) of sub-section (1) of the Section 180 of the Act.
- (f) Every resolution requiring the Company to be wound up voluntarily passed in pursuance of Section 304 of the Act.
- (g) Every resolution passed in pursuance of sub-section (3) of Section 179 of the Act, and
- (h) Any other resolution or agreement as may be prescribed and placed in the public domain.

Provided that the copy of every such resolution which has the effect of altering the Articles and the copy of every agreement referred to above shall be embodied in or annexed to, every copy of these Articles issued after the passing of the resolution or the making of the agreement.

#### **VOTE OF MEMBERS**

- 69 (a) Subject to any rights or restrictions for the time being attached to any class or classes of shares,- Vote of Members
- (i) on a show of hands, every member present in person shall have one vote; and
  - (ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
- (b) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- (c) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- d) A member of unsound mind, or in respect of whom an order has been **de** 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.

- (e) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
  - (f) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
    - (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
    - (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
- 70 Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that atleast forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his rights to transfer such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof. Votes of a person entitled to share on transmission
- 71 Subject to the provisions of the Act and the rules made thereunder, any member of the Company 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 Provided that a proxy so appointed shall not have the right to speak at the meeting and shall not be entitled to vote except on a poll. Number of votes to which member entitled
- Provided further that a person appointed as proxy shall act on behalf of such number of members not exceeding fifty and such number of shares as may be prescribed.
- Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies and that the proxy need not be a member.
- 72 Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting, and ending with the conclusion of the meeting, to inspect proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so as to inspect is given to the Company. Inspection of proxies
- 73 An instrument appointing a proxy shall be in the form as may be prescribed by the Act from time to time. Form of Proxy
- 74 If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If embracing other objects, copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

- 75 Members will be entitled to Postal Ballot for only those resolutions as may be notified by the Central Government from time to time in this behalf and the procedures for such postal ballots will be the same as prescribed in this behalf by the Central Government from time to time. Postal Ballot

### DIRECTORS

- 76 Unless otherwise determined in a General Meeting and Subject to the provisions of Section 149 and 151 of the Act, the number of Directors for the Company shall not be less than 3 or more than 15. The Company shall subject to the provisions of the Companies Act be entitled to agree with any person, firm or corporation, Institution that he/ she or it shall have right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company deems fit and such person/s shall not be liable to retire by rotation. Number of Directors

The Corporation, firm or person/s shall be entitled from time to time to remove any such Director or Directors and appoint another or others in his or their place. Notwithstanding anything contained in those Articles, such Director(s) shall not be required to hold any share qualification or be liable to retire by rotation or otherwise resign his/their office such a Director shall be entitled to the same rights and privileges and be Subject to the same obligations as any other Director of the Company.

Subject to the provisions of the Act and these Articles one or more Directors may be appointed as permanent Director/s of the Company. Such permanent Director for the Company shall hold the office till such time they resign or ceased to be Director/s of the Company or explore.

- 77 The First Directors of the Company shall be: Directors
- (1) SHRI SHARADCHANDRA SHOORJI KOTHARI
  - (2) SMT. JAYSHREE SHARADCHANDRA KOTHARI

- 78 Any Trust Deed for securing and covering the issue of debentures or debenture stocks of the Company, may 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 for and on behalf of the debenture holders for such period for which the debentures or any of them shall remain outstanding and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and reappoint 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 provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained. Debenture Directors

- 79 (a) Subject to the provisions of the Act, and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Financial Company or Body or Financial Corporation or Credit Corporation or Bank or any Insurance Corporation (each such financing Company or Body or Financial Corporation, Credit Corporation or Bank of any Insurance Corporation, is hereinafter referred to as "Financial Institution"} out of any loans granted by the Financial Institution to the Company or so long as the Financial Institution Nominee Directors

continues to hold debentures in the Company by direct subscription or private placement or so long as the financial Institution hold shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial Institution on behalf of the Company remains outstanding the financial Institution shall have right to appoint from time to time, Its nominees as a Director or Directors (which Director or Directors is/are) hereinafter referred to as Nominee Director/s on the board of the Company and to remove from such office the Nominee Director/s so appointed and at the time of such removal and also in the case of death or resignation of the Nominee Director/s so appointed at any time appoint any other person/s in his/their place/s and also fill any vacancy which may occur as a result of such Director/s ceasing to hold office for any reasons whatsoever such appointment or removal shall be made in writing on behalf of the Financial Institution appointing such Nominee Director/s and shall be delivered to the Company as its registered office.

- (b) The Nominee Director's shall not be required to hold any qualification shares in the Company to qualify him them for the office of a Director/s nor shall he/they be liable to retirement by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. Subject to the aforesaid, the said Nominee Director/s shall be entitled to same rights and privileges and the subject to the same obligations as any other Director of the Company.
- (c) The Nominee Director/s so appointed shall hold the office only so long as any moneys remain owing by the Company to the Financial Institutions or so long as the Financial Institution holds Debentures in the Company as a result of direct subscription or private placement or so long as the Financial institution holds shares in the Company as a result of underwriting or direct subscriptions or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office, immediately the moneys owing by the Company to the Financial Institution is paid off or on the Financial Institution ceasing to hold debenture/s shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Financial Institutions.
- (d) The Nominee Director/s appointed under the Article shall be entitled to receive all notices of and attend all General Meeting Board Meetings and the Meeting of the Committee of which the Nominee Director/s is/ are member/s as also the minutes of such meetings. The Financial Institution shall also be entitled to receive all such notices and minutes.
- (e) The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled. Provided that if the Nominee Director is an officer of the Industrial Development Bank of India (IDBI) the sitting fees in relation to such Nominee Director shall accrue to IDBI and the same shall accordingly be paid by the Company directly, to the IDBI. Any expenses, that may be incurred by the Financial Institution or such Nominee Director/s in connection with his/their appointment of Directorship shall be paid by the Company. The IDBI or the Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

- (f) The Nominee Director/s shall notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose **any**
- (g) information obtained by him them to the Financial Institution appointing him/them as such Director/s.
- 80 The Directors shall have power at any time from time to time to appoint any qualified 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 upon the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election. Casual vacancy
- 81 The Board may appoint any person to act as an Alternate Director for a Director during latter's absence for a period of not less than three months from the State in which Meeting of the Board are ordinarily held and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of Meetings of the Directors and to vote thereat accordingly and to the same rights and privileges as the Original Directors. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of office of the Original Director is determined before he so returns to the State as aforesaid any provisions in the Act or in this Article for the automatic re-appointment of a Retiring Director in default of any other appointment shall apply to the Original Director and not to the Alternate Director. Alternate Director
- 82 The Directors shall not be required to hold any share as qualification. Share qualification
- 83 Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a person or person as an Additional Director or Director. Such Additional Director shall hold office only upto the date of the next Annual General Meeting of the Company but shall be eligible for re-election at that meeting as a Director, provided that, the number of Directors and the Additional Directors together, shall not exceed the maximum strength fixed by Article. Additional Directors
- 84 The Company shall appoint such number of directors as an Independent Directors as may be required under the provisions of the Act and the rules made thereunder. The Candidate to be appointed as an Independent Director shall hold such qualifications and shall comply with such conditions as may be prescribed under the Act Independent Directors
- 85 The Company shall appoint such number of Women directors as may be required under the provisions of the Act and the rules made thereunder. Women Directors
- 86 The remuneration payable to a non-whole-time-Director for attending each meeting of the Board or a Committee thereof shall be such sum as may be fixed by the Board of Directors not exceeding the maximum as may be prescribed by the Act (and the rules made thereunder), SEBI, or by the Central Government. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine; and in default of such determination shall be divided among the Directors equally. Remuneration of Directors



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| 87 | Subject to the provisions of Sections 197 and 188 of the Act, and other applicable provisions of the Act and the rules made thereunder, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided.  | Extra remuneration to Directors for special work                |
| 88 | The Board of Directors may subject to the limitations provided by the Act allow and pay to any Directors who attends a meeting at a place other than his usual place or residence for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.   | Travelling expenses incurred by Directors on Company's business |
| 89 | The Continuing Directors may act notwithstanding any vacancy in their body, but if and as long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of filling vacancies to increase the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose.  | Directors may act notwithstanding vacancy                       |
| 90 | <p>(a) Subject to the provisions of Section 164 and 165 of the Act, a person shall not be capable of being appointed Director of the Company, if –</p> <ul style="list-style-type: none"> <li>(i) he is of unsound mind and stands so declared by a Court of competent jurisdiction;</li> <li>(ii) he is an undischarged insolvent;</li> <li>(iii) he has applied to be adjudged an insolvent and his application is pending;</li> <li>(iv) he has been convicted by a court of any offence involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</li> </ul> <p>Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director of the Company.</p> <ul style="list-style-type: none"> <li>(v) 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;</li> <li>(vi) he has been convicted of the offence dealing with related party transactions under Section 188 of the Act, at any time during the last preceding five years; or</li> <li>(vii) he has not complied with sub-section (3) of Section 152 of the Act.</li> </ul> <p>(b) No person who is or has been a director of a Company, where the Company—</p> | Disqualification for appointment of Directors                   |

- (i) has not filed financial statements or annual returns for any continuous period of three financial years; or
  - (ii) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that Company or appointed in other Company for a period of five years from the date on which the said Company fails to do so.
- 91 (a) Subject to the provisions of Section 167 of the Act, the office of a Director shall become vacant if :
- Vacation of office  
by Directors
- (i) he incurs any of the disqualifications specified in Section 164 of the Act.
  - (ii) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
  - (iii) he acts in contravention of the provisions of Section 184 of the Act, relating to entering into contracts or arrangements in which he is directly or indirectly interested;
  - (iv) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act.
  - (v) he becomes disqualified by an order of a court or the Tribunal;
  - (vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:
- Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
- (vii) he is removed in pursuance of the provisions of the Act;
  - (viii) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate Company, ceases to hold such office or other employment in that Company.
- 92 (a) Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Act.
- Disclosure of  
Director's interest
- (b) Every director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
- (i) with a body corporate in which such Director or such Director in association with any other Director, holds more than two per cent

of the shareholding of that body corporate, or is a promoter, manager, chief executive officer of that body corporate; or

- (ii) with a firm or other entity in which, such Director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

Provided that where any Director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

(c) Nothing in this Article shall –

- (i) be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contract or arrangement with the Company;
- (ii) apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one or more of the Directors of the Company together holds or hold not more than two percent of the paid up share capital in other Company.

93 Except with the consent of the Board of Directors of the Company (or the Audit Committee) given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed by the Company, a Company shall not enter into any contract or arrangement with a related party with respect to,

Board resolution necessary for certain contracts

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company; and

underwriting the subscription of any securities or derivatives thereof, of the Company:

- (g) Notwithstanding the provisions of this sub-clause (a) of this Article, where prescribed, the Company shall enter into such contracts and/ or arrangements only with the prior approval of the members of the Company by a special resolution. However, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party:

It is clarified that this sub-clause shall not apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.

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| 94 | Subject to the provisions of Section 185 of the Act, the Company shall not, directly or indirectly make any loan to any of its directors or to any other person in whom the director is interested or give any guarantee or provide any security in connection with a loan taken by him or such other person.   | Loans to Directors   |
| 95 | The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the companies or bodies corporate under the same management as provided in Section 186 of the Act.   | Loan to Companies  |
| 96 | No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or Arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, it shall be void; | Interested Director not to participate or to vote in Board's proceedings |

### ROTATION AND APPOINTMENT OF DIRECTORS

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| 97  | A Director may be or become a Director of any Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197 or Section 188 of the Act, (and the rules made thereunder) may be applicable.  | Directors may be Directors of Companies promoted by the Company |
| 98  | 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 Articles be appointed by the Company in General Meeting.   | Rotation of Directors   |
| 99  | <b>Section 169(5) and 169 (6)</b> of the Act, 2013, 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. The Debenture Directors, Corporation Directors, Special Directors, or Managing Directors, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation. | Retirement of Directors   |
| 100 | The Directors who 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 become 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.   | Ascertainment of Directors retire by rotation                   |
| 101 | A retiring Director shall be eligible for the re-appointment.  |   |
| 102 | Subject to the provisions of the Act, the Company at the annual general meeting at which a Director retires in manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.  | Company to fill vacancies                                       |
| 103 | (a) If the place of 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   | Provisions in default of appointment                            |

place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.

- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that 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 –
  - (i) at the meeting or the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - (ii) 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;
  - (iii) he is not qualified or is disqualified for appointment; or
  - (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act.

104 Subject to the provisions of Sections 149 and 152 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

- 105 (a) 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 it shall be so made, has been first agreed to by the meeting without any vote being given against it. Appointment of Directors to be voted individually
- (b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Director in default of another appointment as hereinbefore provided, shall apply.
- (c) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

- 106 (a) Subject to the provisions of the Act, a person, not being a Retiring Director in terms of Section 152 of the Act, shall be eligible for appointment to the office of Director at any general meeting if he or some other member intending to propose him has, at least fourteen days before the meeting, left at the registered office of the Company a special notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with the deposit of Rupees one lakh or such higher amount as may be prescribed which shall be refunded to such person or as the case may be, to the member, if the person succeeds in getting elected as a Director or secures more than 25% of the total valid votes cast either by way of show of hands or on a poll on such resolution. Notice of candidature for office of Director except in certain cases
- (b) The Company shall inform its members of the candidature of the person for the office of Director in such manner as may be prescribed.
- (c) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company, a notice under

Section 160 of the Act, signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.

(d) A person other than :

- (i) A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
- (ii) An Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

107 The Company shall keep at its registered office a Register containing the particulars of its Directors and key managerial personnel as specified in Section 170 of the Act, and shall send to the Registrar a Return containing the particulars specified in such Register, and shall otherwise comply with the provisions of the said Section in all respects.

Register of Director's etc., and notification of change

#### **MANAGING DIRECTORS WHOLETIME DIRECTORS**

108 Subject to the provisions of Section 196, 203 and other applicable provisions of the Act and these Articles, the Board may, from time to time appoint one or more Directors to be the Managing Director or Managing Director(s) or Whole Time Directors of the Company for a term not exceeding five (5) 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 place or their places.

Board may appoint Managing Director or Whole time Directors

Provided that no re-appointment shall be made earlier than one year before the expiry of his term. Such a Managing Director can also act as Chairman of the Company.

109 Subject to the provisions of the Act and these Articles, the Managing Director, or the Whole Time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 100 but he shall be subject to the provisions of any contract between him and the Company, be subject to the same provisions as the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to hold the office of Director for any cause provided that if at any time the number of Directors (including Managing Director or Whole Time Directors) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole Time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in to the intent that the Directors so liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

What provisions they will be subject to

110 The remuneration of the Managing Director, Whole Time Director, or Manager shall be subject to applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors from time to time and may be by way of fixed salary and/or perquisites or

Remuneration to Managing or Whole time Director(s)

commission on profits of the Company or by participation in such profits, or by fee for such meeting of the Board or by and or all these modes or any other mode not expressly prohibited by the Act.

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| 111 | Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) and/or Whole Time Director(s) appointed under Article 110 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or Whole Time Director or Whole Time Directors such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or 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. | Powers and duties of Managing and Whole time Director(s) |
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### PROCEEDINGS OF THE BOARD OF DIRECTORS MEETING

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|-----|---|--------------------------|
| 112 | The Directors may meet together as a Board for the despatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 173 of the Act, otherwise directs, shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.  | Meeting of Directors     |
| 113 | <p>(a) Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.</p> <p>(b) A Director may at any time and the Secretary upon the request of Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other Director. Notice may be given by telex or telegram to any Director who is not in India.</p>   | Notice of meetings       |
| 114 | <p>(a) Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher,</p> <p>Provided that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the total strength, the number of the remaining Directors (that is to say, the number of Directors who are not interested) present at the meeting being not less than two shall be quorum during such time.</p> <p>(b) For the purpose of clause (a) :</p> <p>(i) "Total Strength" of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting therefrom number of the Directors, if any, whose places may be vacant at the time, and</p> | Quorum for Board meeting |

- (ii) "Interested Directors" means any Director whose presence cannot by reason of Article 97 hereof or any other provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.
- 115 If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place. Procedure when meeting adjourned for want of Quorum
- 116 One of the Directors shall be the Chairman of the Board of Directors who shall preside at all meetings of the Board. If at any meeting the Chairman is not present at the time appointed for the meeting then the Directors present shall elect one of them as Chairman who shall preside. Chairman
- 117 Subject to provisions of Section 203 of the Act, and other applicable provisions of law, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have second or casting vote. Questions at Board meeting how decided
- 118 A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or these Articles or the regulations for the time being of the Company are vested in or are exercisable by the Board of Directors generally. Power of Board meeting
- 119 The Board of Directors may, subject to the provisions of Section 179 of the Act, and other relevant provisions of the Act and these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board 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. Directors may appoint committees
- 120 The meetings and proceedings of any such Committee of the Board 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 any regulations made by the Directors under the last preceding Article. Meeting of Committee
- 121 (a) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 123 shall subject to the provisions of sub-clause (b) hereof and the Act be as valid and effectual as the resolution duly passed at meeting of, the Directors or of a Committee duly called and held. Circular resolution
- (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution, has been circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than in the quorum fixed for a meeting of the Board or Committee as the case may be), and to all other Directors or



members of the Committee at their usual addresses in India in accordance with the provisions of Section 175(1) of the Act, and has been approved by such of the Directors or members of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.

- 122 All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
- Acts of Board or Committee valid notwithstanding defect in appointment

### **POWERS OF THE BOARD**

- 123 Subject to the provisions of the Act, the business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in general meeting, subject nevertheless to these Articles to the provisions of the Act, or any other Act and to such regulations (being not inconsistent with the aforesaid regulations or provisions), as may be prescribed by the Company in general meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, Provided that the Board shall not, except with the consent of the Company by a special resolution in a general meeting:
- Power of the Board of Directors
- (a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;
  - (b) remit, or give time for the payment of any debt due by a Director;
  - (c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of a merger or amalgamation;
  - (d) borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of the paid up capital of the Company and its free reserves, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business); or,
    - (i) Provided that in respect of the matter referred to in sub-clause (d) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which monies may be borrowed by the Board under clause (d);
    - (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a reasonable character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

- 124 Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolution passed at the meetings of the Board:
- Certain powers to be exercised by the Board at meeting only
- (a) to make calls on shareholders in respect of money unpaid on their shares;
  - (b) to authorise buy-back of securities under Section 68 of the Act.
  - (c) to borrow monies;
  - (d) to invest the funds of the Company;
  - (e) to grant loans or give guarantee or provide security in respect of loans;
  - (f) to approve financial statement and the Board's report;
  - (g) to diversify the business of the Company;
  - (h) to approve amalgamation, merger or reconstruction;
  - (i) to take over a Company or acquire a controlling or substantial stake in another Company;
  - (j) any other matter which may be prescribed under the Act and the rules made thereunder.

Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of branch office of the Company a principal officer of the branch office, the powers specified in (c), (d) and (e) of this sub-clause on such terms as it may specify.

- 125 Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power:
- Certain powers of the Board
- (a) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company;
  - (b) to pay and charge the capital account to the Company any commission or interest, lawfully payable thereout under the provisions of Section 40 of the Act, and other applicable provisions of law;
  - (c) subject to Sections 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
  - (d) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges by or services rendered to the Company, either wholly or partially in cash or in shares, 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 such 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;

- (e) to secure the fulfillments of any contracts or engagement entered into by the Company mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;
- (f) to accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (g) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
- (h) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein;
- (i) to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (j) to make and give receipts, release and other discharge for monies payable to the Company and for the claims and demands of the Company;
- (k) subject to the provisions of Sections 179, 180 and 185, of the Act, and other applicable provisions of law, to invest and deal with any monies of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this 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 Act, all investments shall be made and held in the Company's own name;
- (l) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
- (m) to determine from time to time who shall be entitled to sign, on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose;
- (n) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as a part of working expenses of the Company;

- (o) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and wives, widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, 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 instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the applicable provisions of law 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 or otherwise;
- (p) before recommending any dividend, subject to the provision of Section 123 of the Act, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital monies of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit; with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ and assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum;
- (q) to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit, and also from time to time to

provide for the management and transaction of the affairs of the Company in specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;

- (r) to comply with the requirement of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;
- (s) 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 person to be members of such Local Boards, and to fix their remuneration;
- (t) subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow monies; and to authorise the member 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 such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;
- (u) at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow monies) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any Company, or the shareholders, Directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;
- (v) subject to the provisions of the Act, for or in relation of any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;
- (w) from time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants.

## KEY MANAGERIAL PERSONNEL

126 Subject to the provisions of the Act,—

A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the Board;

Appointment of  
Key Managerial  
Personnel

127 A Director may be appointed as any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

## CAPITALISATION OF PROFITS

128 (a) The Company in general meeting may, upon the recommendation of the Board, resolve—

Capitalisation of  
profits

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (c), either in or towards—

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);

(c) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

129 (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (b) The Board shall have power—
- (i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (c) Any agreement made under such authority shall be effective and binding on such members.

#### **DIVIDENDS AND RESERVE**

- 130 The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Declaration of Dividend
- 131 Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- 132 (a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- (b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 133 (a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or

portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

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

- 135 (a) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque/ Demand draft or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Dividend how remitted
- (ii) Every such cheque/ Demand draft or warrant shall be made payable to the order of the person to whom it is sent.
- (b) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- (c) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

136 No dividend shall bear interest against the Company.

#### **UNCLAIMED DIVIDEND**

- 137 (a) Where the dividend has been declared by the Company but not paid or the warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment thereof, the Company shall within 7 days from the date of expiry of the said period of 42 days transfer the total amount of dividend which remain unpaid or in relation to which no dividend has been posted within the said period of 42 days to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called Unpaid Dividend Account of the Company. Unclaimed Dividend
- (b) Any money transferred to the unpaid dividend account of the Company in pursuance of sub-clause (a) hereof which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company alongwith interest accrued, if any, thereon to the Invest Education and Protection Fund of the Central Government.

#### **ACCOUNTS**

- 138 (a) The Company shall prepare and keep at its registered office proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the **Companies Act, 2013**, as would give a true and fair view of the state of affairs of the Company including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Books to be kept



Provided that all or any of the books of accounts aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide 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.

Provided further that the Company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.

- (b) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of sub-clause (a) if proper books of accounts relating to the transactions affected 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 other place referred to in sub-clause (a).
- (c) The books of accounts and other books and paper maintained by the Company within India shall be open to inspection at the registered office of the Company or at such other place in India by any Director during business hours and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as may be prescribed:

Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors.

The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year, or where the Company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order:

Provided that where an investigation has been ordered in respect of the Company under Chapter XIV of the Act, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.

- 139 (a) The Board of Directors shall in accordance with Section 129, 133 and 134 of the Act, and the rules made thereunder, cause to be prepared and laid before each annual general meeting, financial statements for the financial year of the Company which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
- (b) The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and comply with the accounting standard notified under Section 133 of the Act, and shall be in the form set out in Schedule III to the Act.

Financial  
statements

Provided that the items contained in such financial statements shall be in accordance with the accounting standards.

- (c) In case the Company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-clause (a), prepare a consolidated financial statement of the Company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the Company along with the laying of its financial statement under sub-clause (a):

Provided that the Company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries in such form as may be prescribed:

Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed.

For the purposes of this sub-clause, the word “subsidiary” shall include associate Company and joint venture.

### **AUDIT**

- 140 Once at least in every year the accounts of the Company shall be audited and the correctness of the financial statements ascertained by one or more Auditor or Auditors.

Accounts to be audited

- 141 (a) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with the provisions of Chapter X of the Act, and the rules made thereunder.

Appointment of Auditors

- (b) Subject to the provisions of Section 139 of the Act, the Company shall at the first annual general meeting appoint an individual or a firm as an Auditor to hold office from conclusion of that meeting until the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed.

Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting;

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141 of the Act.

Provided also that the Company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.

“Appointment” includes reappointment.

### **DOCUMENTS AND NOTICES**

- 142 (a) A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it at his registered address or if he has no registered address in India, to the address if any, within India

Service of documents or notices to the members

supplied by him to the Company for serving documents or notice on him or by means of such electronic or other mode as may be prescribed.

- (b) A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
  - (c) A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.
  - (d) A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter, addressed to them by name or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
  - (e) The signature to any document or notice to be given by the Company may be written or printed or lithographed.
- 143 (a) Document or notice of every general meeting shall be served or given in the same manner hereinbefore authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company,
- To whom documents must be served or given
- Provided that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 51 a statement of material facts referred to in Article 51 need not be annexed to the notice, as is required by that Article, but is shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.
- 144 Every person who by operation of law, transfer or other means whatsoever, has become entitled to any share shall be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or give to the person from whom he derived his title to such share.
- Members bound by document or notices served on or given to previous holders
- 145 A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by Registered Post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed:
- Service of documents on the Company
- Provided that where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode.
- 146 Save as provided in the Act or the rules made hereunder for filing of documents with the Registrar in electronic mode, a document may be served on the Registrar or any member by sending it to him at his office by post or by Registered Post or by speed post or by courier or delivering it to or leaving it
- Service of documents by Company to the Registrar

for him at his office, or by such electronic or other mode as may be prescribed.

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the Company in its annual general meeting.

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

- 147 Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company or contracts made on behalf of the Company may be signed by any key managerial personnel or other officer of the Company duly authorised by the Board of the Company and need not be under the common seal of the Company. Authentication of documents and proceedings

### **SEAL**

- 148 The Board of Directors shall provide 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 thereof, and the Board of Directors shall provide for the safe custody of the seal for the time being under such regulations as the Board may prescribe and the seal shall never be fixed to any instrument except by the authority of the Board of Directors or Committee of the Board previously given and in the presence of at least one Director of the Company who shall sign every instrument to which the Seal is affixed and every such instrument shall be countersigned by the Secretary (if any) or such other officer or person as the Board of Directors may from time to time resolve. Provided however, that the certificate of shares or debentures shall be signed in the same manner as the certificates of shares are required to be signed in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014, and the Statutory Modification for the time being in force. Common seal
- 149 The Company shall also be at liberty to use an official seal in any territory, district or place outside India.

### **SECRECY**

- 150 Every Director, Secretary, Trustee for the Company, the Members or debenture holders, Members of a committee, officer, servant agent, accountant, or other person employed in or about the business of the Company shall, if so required by the Board before entering upon his duties sign, declaration undertaking himself to observe as strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in mailers relating thereto, and shall by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any General Meeting or by account of law and except so far as a court of law and except so far as may be necessary in order to comply with any of the provisions of the Articles. Secrecy clause
- 151 No shareholder or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board or, to require discovery of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, or secret process or of any other whatsoever which may relate to the conduct of the business of the Company or and which in the opinion of the Board it will be inexpedient in the interest of the Company to contract entered No member to enter the premises of Company without the permission

into by the Company with third parties for obtaining rights under their secret know-how process and other secret information.

### INDEMNITY

- 152 Every Director, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Secretary, Officer, Employee or Auditor in defending any proceedings, whether civil or criminal. In which judgement is given in his favour, or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court. Directors and officers right to indemnity
- 153 Subject to the provisions of Section 197 of the Act, no Director, Auditor or other Officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for insufficiency or deficiency of any of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damages arising from insolvency or tortuous act of any person, firm or Company to or with whom any monies, securities or effects shall be entrusted or deposited or 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 of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty. Directors and officers not responsible for acts of others

We, the several persons, whose names, addresses and occupations are hereunder subscribed, 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 our respective names :

Signature, Name, Address Description and occupation of Subscribers	Number of Equity Shares taken	Signature of subscriber	Name, address of witness & his description, occupation & signature
Sharadchandra S. Kothari S/o. Shoorji Kothari. Guru Nanak House, 20/8, Rati Ahmed Kidwai Road, Wadala, Bombay – 400 031.  Occu : Business	10 (Ten)	Sd/-	
Jayshree S. Kothari W/o. Sharadchandra Kothari. Guru Nanak House, 20/8, Rati Ahmed Kidwai Road, Wadala, Bombay – 400 031.  Occu : Business	10 (Ten)	Sd/-	Sd/- Maganlal Thacker, Maganlal Jivram Thacker, 7, Gola Lane, Fort, Bombay-400 034.  Occu : Chartered Accountante
TOTAL	20 (Twenty)		

Bombay : Dated this 18th day of September 1973.