

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**(INCORPORATED UNDER THE COMPANIES ACT, 1956)**

**Articles of Association**

**OF**

**HSIL Limited**

The following regulations contained in these Articles of Association were adopted pursuant to the members' resolution passed through postal ballot on [•] in substitution for, and to the exclusion of all the regulations contained in the extant Articles of Association of the Company.

Interpretation

1. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context:

“Act” means the Companies Act, 2013, read with the rules framed thereunder and includes where the context so admits, any re-enactment or statutory modification thereof, for the time being in force, and where the context so requires shall mean and include any previous enactment thereof. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980;

“Board of Directors” or “Board” in relation to Company, means the collective body of the Directors of the Company;

“Beneficial Owner” shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of Depositories Act, 1996 (including any statutory modification or re-enactment thereof);

“Committee” shall mean a committee of Directors constituted by the Board;

“Company” means HSIL LIMITED;

“Depository” means a company formed and registered within the meaning of the Act, and which has been granted a Certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992;

“Depositories Act” means the Depositories Act, 1996 or any statutory modification or re-enactment thereof;

“Directors” mean the Directors appointed to the Board of the Company;

“Financial Statement”, in relation to the Company, includes —

- (i) a balance sheet as at the end of the financial year;

- (ii) a profit and loss account for the financial year;
- (iii) a cash flow statement for the financial year;
- (iv) a statement of changes in equity, if applicable; and
- (v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to sub-clause (iv) above;

“Independent Director” shall have the same meaning as ascribed to it under sub section 6 of Section 149 of the Act read with Regulation 16(1)(b) of the LODR;

“Key Managerial Personnel” shall refer to key managerial personnel as defined in Section 2(51) of the Act;

“LODR” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereof for time being in force;

“Managing Director” means a director who, by virtue of these Articles or an agreement with the Company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of managing director or joint managing director, by whatever name called;

“Member(s)” means duly registered shareholders from time to time of the Company and shall include Beneficial Owners whose names are entered as Beneficial Owners in the records of the Depository(ies);

“Memorandum” shall mean the memorandum of association of the Company, as altered from time to time;

“Office” means the registered office for the time being of the Company;

“Proxy” includes an attorney duly constituted under a power of attorney;

“Registrar” means the jurisdictional Registrar of Companies, of the state where the Office of the Company is situated;

“Registered Owner” means a Depository whose name is entered as such in the records of the Company;

“Seal” means the common seal which has been adopted by the Company, if any;

“SEBI” means the Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992;

“SEBI Regulations” shall mean the Securities and Exchange Board of India Act, 1992, and the rules and regulations framed thereunder as applicable to the Company,

including but not limited to LODR, and includes where the context so admits, any re-enactment or statutory modification thereof, for the time being in force;

“Security(ies)” shall have the meaning as defined to such term under the Act;

“These Articles” or “Articles” means these Articles of Association as altered from time to time;

“Whole-time Director” means a Director who has been appointed as a whole time director for the time being of the Company and includes a Director who is in the whole-time employment of the Company;

“Written” and “In writing” and includes printing, lithography and other modes or representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained but not defined in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

Words importing the singular number also include the plural number and vice versa.

Words importing the masculine gender also include the feminine gender and vice versa.

Words importing persons include corporations.

The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith.

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| Applicability of Table F | 2. | The regulations contained in Table F in the first schedule to the Act shall apply to the Company to the extent to which they are not modified, varied, amended or altered by these Articles.  |
| General Authority        | 3. | Where in the Act or SEBI Regulations, it has been provided that a company shall have any right, privilege or authority or that a company could carry out any transaction only if the company is so authorized by its Articles, in every such case, these Articles hereby authorize and empower the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided. |
|                          | 3A | The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in the Act or SEBI Regulations allowing what were not previously allowed, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act or SEBI Regulations by virtue of an amendment subsequent to registration of the Articles.                           |

Company not to purchase its own shares 4. Save as otherwise permitted by the Act and subject to the other provisions of these Article 12, the Company shall not provide any loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the Company or in its holding company.

#### SHARE CAPITAL

Authorised Capital 5. The authorised share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum with power to Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.

Kinds of share capital 6. (1) The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

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

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

Allotment 7. Subject to the provisions of the Act and of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such person(s) on such terms and conditions, and at such times, as the Board thinks fit either at par or at a premium and for such consideration as the Board thinks fit. Provided that the options or right to call of shares shall not be given to any person or persons without the sanction of the Company in general meeting.

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

Commission and brokerage 9. (1) The Company may pursuant to Section 40 of the Act pay commission and brokerage as provided in the said section.

(2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act.

(3) The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or by allotment of fully or partly paid shares or partly in the one way and partly in the other.

Shares at a discount	10.	Except for the purpose of issuance of sweat equity shares (as provided under Section 54 of the Act), the Company shall not issue shares at a discount.
Issue of redeemable preference shares	11.	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.
Buy back of shares	12.	Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 (both inclusive) and any other applicable provision of the Act or any other applicable law for the time being in force, the Company may purchase / buy-back its shares or other specified Securities.
Amount payable in accordance with terms of issue or allotment	13.	If, by the terms of issue or allotment of any share, any amount whether in respect of the share or any premium thereon is made payable on allotment or at any fixed time or by installment, such amount shall when due, be paid to the Company by the Member registered in respect of the share or by his executor or administrator or other legal representative.
Liability of Members registered jointly	14.	Members who are registered jointly in respect of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.
Trustee not recognized	15.	Save as herein otherwise provided, the Company shall be entitled to treat the Member registered in respect of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any equitable or other claim to or in such share on the part of any other person.
Who may be registered	16.	Shares may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered jointly as Members in respect of any share.

### **CERTIFICATES**

Certificates	17.	The certificates of title to shares and duplicates thereof when necessary shall be issued under the Seal, if any, of the Company and signed by two Directors or by a Director and the Company Secretary, in compliance with the relevant provisions of the Act.
Member's right to certificates	18.	Every Member shall be entitled free of charge to one certificate for all the shares of each class registered in his name, or, if the Board so approves to several certificates each for one or more of such share, but in respect of each additional certificate which does not comprise shares in lots of market unit of trading the Company shall at its option be entitled to charge a fee of Rs. 2/- or such other sum as the Board may determine. Save as provided by Section 56 of the Act the Company shall within 2 (two) months after the date of the allotment of any of its shares and on surrender to the

Company of its letter making the allotment or of its fractional certificates of requisite value (except in the case of issue of bonus shares or in the case of issue against letters of acceptance or of renunciation), within 1 (one) month after an application for registration of the transfer of any such shares and within a period of 6 (six) months from the date of allotment of debentures, as the case may be, deliver in accordance with the procedure laid down in Section 20 of the Act, the certificates of such shares or debentures allotted or transferred. The Company shall within 30 (thirty) days of receipt of an application for subdivision, consolidation, renewal or exchange of any of its shares, as the case may be, complete and have ready for delivery, the certificates for such shares. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid up thereon. The Company shall not be bound to issue more than one certificate to Members registered jointly in respect of any share and delivery of a certificate to one of such Members shall be sufficient delivery to all such Members.

Issue of new certificate in place of one defaced lost or destroyed

19. (1) If a certificate of any share be surrendered to the Company for sub-division or consolidation or if any certificate be worn out, defaced, mutilated, torn, old or decrepit or where the pages on the reverse of any certificate for recording transfers have been fully utilized then, upon production thereof to the Board, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such terms as to indemnity as the Board may deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to the share to which such lost or destroyed certificate shall relate.
- (2) For every certificate issued under this Article (except when issued on a sub-division or consolidation of share certificates into lots of the market unit or in replacement of those which are old, decrepit, mutilated or worn out or where the pages on the reverse for recording transfers have been fully utilised), there shall be paid to the Company a sum of Rs. 50 (Rupees fifty) or such other sum as the Board may determine.

Provisions as to issue of certificates to apply *mutatis mutandis* to other Securities.

20. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other Securities including debentures (except where the Act otherwise requires) of the Company.

Power of Board to regulate subdivision or consolidation

21. Notwithstanding anything contained in these Articles, the Board may refuse any application for sub-division or consolidation of number of share or of certificates for shares into denomination of less than 50 (fifty) equity shares or less than 5 (five) preference shares, as the case may be, except where such sub-division or consolidation is required to be made for compliance with any law or statutory regulation or order or an order or a decree of a competent court. Provided nevertheless that the Board may, at its discretion and in exceptional circumstances and for avoiding any hardship or for any just and sufficient cause, or if so required by SEBI Regulations (on each of them the decision of the Board shall be final and conclusive) accept any application for sub-division or consolidation of number of shares or of certificates for shares into

denomination of less than 50 (fifty) equity Shares or 5 (five) preference shares, as the case may be of the Company.

### **DEMATERIALISATION OF SECURITIES**

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| Dematerialisation/<br>Rematerialisation of<br>Securities   | 22. | Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise/ rematerialise its Securities and to offer Securities in the dematerialised form pursuant to the Depositories Act.   |
| Options for<br>investors                                   | 23. | Every person subscribing to Securities offered by the 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 any time opt out of a Depository, if permitted by law, in respect of any Security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of Securities. If a person opts to hold his Security with a 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. |
| Securities in<br>Depositories to be<br>fungible form       | 24. | All Securities held by a Depository shall be dematerialised and shall be in fungible form. No Certificate shall be issued for the Securities held by the Depository. Nothing contained in Section 89 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.   |
| Transfer of<br>Securities                                  | 25. | Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee, both of whom are entered as Beneficial Owners in the records of a Depository and such transfer of the Securities shall be in accordance with the Depositories Act and SEBI Regulations.   |
| Allotment of<br>Securities dealt with<br>a Depository      | 26. | Notwithstanding anything contained in the Act or these Articles, where the Securities are dealt with in or by a Depository, the Company shall intimate the details of allotment of relevant Securities to the Depository immediately on allotment of such Securities.   |
| Distinctive Nos. of<br>Securities held in a<br>Depository. | 27. | 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.   |
| Register and index<br>of Beneficial<br>Owners              | 28. | The register of Members and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be the register and index of Members and other Security holders for the purposes of these Articles.   |
| Rights of<br>Depositories and<br>Beneficial Owners         | 29. | <p>(1) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purpose of effecting transfer of ownership of Security on behalf of the Beneficial Owner.</p> <p>(2) Save as otherwise provided in (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.</p>  |

- (3) Every person holding Securities of the Company and whose name is entered in the register of Member or whose name appears as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company and as absolute owner thereof and accordingly, shall not (except as ordered by competent Court or any other applicable law) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice. The Beneficial Owners of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of their Securities which are held by the Depository.

Service of Documents

30. 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.

### CALLS

Calls

31. The Board may from time to time subject to the terms on which any shares may have been issued, and subject to the provision of Section 49 of the Act, make such calls as the Board thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Board. A call may be made payable by installments and shall be deemed to have been made when the resolution of the Board authorising such call was passed.

Restriction on power to make calls.

32. Not less than 14 (fourteen) days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

When interest on call or installment payable

33. (1) If the sum payable in respect of any call, or installment be not paid on or before the day appointed for payment thereof, the person from whom sum is due for the time being of the share in respect of which the call shall have been made or the installment shall be due shall pay interest for the same at rate of 10% (ten per cent) per annum from the day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.
- (2) The Board shall be at liberty to waive payment of any such interest either wholly or in part.

Amount payable at fixed times or payable by installments as calls

34. (1) If by the terms of issue or allotment of any share or otherwise any amount is made payable at any fixed time or by installments whether on account of the nominal value of the shares or by way of premium, every such amount shall be payable as if it were a call duly made by the Board, for which due notice had been given and payable on the date on which by the terms of issue or allotment such sum becomes payable. All the provisions herein contained in respect of calls shall relate to such amount accordingly.



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

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| Evidence in action by Company against Members       | 35. | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose on the register of Members as a Member in respect of the number of shares in relation to which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum was present at the meeting of the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever but the proof of the matters aforesaid, shall be conclusive evidence of the debt. |
| Payment of calls in advance                         | 36. | The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the money due upon the shares registered in his name beyond the sums actually called for, and upon the money so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls than made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% (twelve percent) per annum as the Member paying such sum in advance and the Board agree upon money so paid in excess of the amount of calls shall not rank for dividend or participate in the profits of the Company. The Board may at any time repay the amount so advanced upon giving to such Member not less than 3 (three) months' notice in writing.  |
| Revocation of call                                  | 37. | A call may be revoked or postponed at the discretion of the Board.   |
| Liability of joint holders of shares                | 38. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.  |
| Provisions as to calls to apply to other Securities | 39. | The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other Securities including debentures of the Company.  |

#### **FORFEITURE**

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| Notice on non-payment of call | 40. | If any Member fails to pay any call or installment on or before the day appointed for the payment of the same the Board may at any time thereafter during such time as the call or installment remains unpaid, serve a notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.  |
| Form of Notice                | 41. | The notice shall name a day (not being less than 14 (fourteen) days from the date of service of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited. |

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| Non-compliance with notice   | 42. | If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.   |
| Receipt of part amount or grant of indulgence not to affect forfeiture | 43. | Neither the receipt by the Company of a portion of any money which may from time to time be due from any Member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.   |
| Notice after forfeiture  | 44. | When any share shall have been so forfeited, notice of the resolution shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register of Members including Depository, but no forfeiture shall be in any manner be invalidated by any omission or neglect to make such entry as aforesaid.   |
| Forfeited shares to become property of the Company                     | 45. | (1) Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell or otherwise dispose of the same on such terms and in such manner as it thinks fit.  |
| Board may issue new certificates                                       |     | (2) Where any share is so sold or disposed of by the Board and the certificate in respect thereof is not delivered up to the Company by the former holder of such share then such share certificate shall stand cancelled and become null and void and be of no effect, and the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up.   |
| Power to annul forfeiture  | 46. | The Board may at any time before any share so forfeited shall have been sold or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.  |
| Liability on forfeiture  | 47. | A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding such forfeiture remain liable to pay, and shall forthwith pay to the Company, all calls or installments, interest and expenses, owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of forfeiture, until payment at 12% (twelve per cent) per annum and the Board may enforce the payment thereof, or any part thereof without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not under any obligation to do so. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares. |
| Evidence of forfeiture   | 48. | A duly verified declaration in writing that the declarant is a Director/manager/secretary of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares. The Company may receive the  |

consideration given for the shares on any sale or disposal thereof and the receipt of the Company for such consideration shall constitute a good discharge to the person making the payment. A person appointed by the Board may execute an instrument of transfer in respect of the shares in favour of the person to whom the shares are sold or disposed off and he shall thereupon be registered as the Member in respect of such shares and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be effected by any irregularity' or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

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| Forfeiture provisions to apply to non-payment in terms of issue | 49. | The provisions of these Articles relating to forfeiture hereof shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of a share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| Provisions as to forfeiture to apply to other Securities        | 50. | The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other Securities including debentures of the Company.   |

**LIEN**

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| Company's Lien on shares             | 51. | The Company shall have a first and paramount lien upon all the shares not being fully paid up registered in the name of a Member (whether solely or jointly with others) and upon the proceed of sale thereof for moneys called or payable at a fixed time in respect of such shares whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 15 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. |
| Enforcement of lien by sale          | 52. | For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such Member, his executor or administrator or his Committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such shares for 7 (seven) days after the date of such notice.  |
| Application of proceeds of sale      | 53. | The net proceeds of the sale under Article 52 hereof shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.   |
| Validity of sale in exercise of lien | 54. | Upon any sale for enforcing a lien purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register of Members in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money, and after his name has been entered in the register of Members in respect of such shares the validity of   |

the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

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| Issue of new Certificate                     | 55. | Where any shares under the powers in that behalf herein contained are sold by the Board and the Certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered up.   |
| Outsider's lien not to affect Company's lien | 56. | In exercising its lien, the Company shall be entitled to treat the Beneficial Owner of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim. |
| Provisions as to lien to other Securities    | 57. | The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other Securities including debentures of the Company.   |

#### TRANSFER AND TRANSMISSION

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| Execution of transfer for shares held in physical form etc.       | 58. | (1) Save as provided in Section 56 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped, dated and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate, or if no such certificate is in existence, the letter of allotment of the share. The transferor shall be deemed to remain the holder in respect of such share until the name of the transferee is entered in the register of Members in respect thereof.  |
| Right to dividend etc. pending registration of transfer of shares |     | (2) Where an instrument of transfer of shares of the Company has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall comply with the provisions of Section 126 of the Act in respect of the dividend, rights shares and bonus shares in relation to such shares.   |
| Application for registration                                      | 59. | Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall in the case of a partly paid share be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act, and subject to the provisions of these Articles the Company shall, unless objection is made by the transferee within 2 (two) weeks from the date of receipt of the notice, enter in the register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. |
| Instrument of transfer  | 60. | The instrument of transfer of any shares shall be in the prescribed form and in accordance with the provisions of Section 56 of the Act.   |
| Suspension of registration  | 61. | On giving not less than 7 (seven) days' previous notice in accordance with Section 91 of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  |

Provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (fourty-five) days in the aggregate in any year.

- Refusal to register      62.      (1)      Subject to the provision of Sections 58 and 59 of the Act, the Board, without assigning any reason for such refusal, may, within 15 (fifteen) days or as prescribed under LODR from the date on which the instrument of transfer or the intimation of transmission, as the case may be was delivered to the Company, refuses to register any transfer of or the transmission by operation of the law of the right to a share, not being a fully paid up share, which the Board does not approve or any transfer of shares on which the Company has a lien. Provided that registration of a transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever except a lien on the shares.
- Refusal to accept application for registration of transfer      (2)      Without prejudice to the provisions of Article 58 hereof the Board may not accept any application for registration of transfer of less than 50 (fifty) equity shares or less than 5 preference shares of the Company, provided that the foregoing shall not apply to:
- a)      a transfer of shares made in pursuance of any law, rules, regulation, order, a decree of a competent court or SEBI Regulations;
  - b)      a single transfer by a Member holding less than 50 (fifty) equity shares or less than 5 (five) preference shares of the Company, as the case may be, of all the shares so held by him to one or more transferees (subject to Article 16 hereof);
  - c)      a transfer by a Member holding less than 50 (fifty) equity shares or less than 5 (five) preference shares of the Company, as the case may be to one or more transferees (subject to Article 16 hereof) where after such transfer the shareholding of the said transferee or transferees will not be less than 50 equity shares or less than 5 (five) preference shares, as the case may be;
  - d)      a transfer of not less than 50 (fifty) equity shares or not less than 5 (five) preference shares of the Company, as the case may be, in the aggregate in favour of the same transferee by several transferors by two or more instruments of transfer submitted together by the said transferee where the said instruments of transfer together relate to not less than 50 (fifty) equity shares or not less than 5 (five) preference shares, as the case may be.

Provided nevertheless that the Board may at its discretion and in exceptional circumstances and for avoiding any hardship or for any other just and sufficient cause (on which the Board's decision shall be final and conclusive) accept any application for registration of transfer of less than 50 equity shares or less than 5 preference shares of the Company.

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| Instrument of transfer to be left at Office   | 63. | Every instrument of transfer shall be left at the Office of the Company for registration, accompanied by the certificate of the share related to the instrument of transfer or if no such certificate is in existence, by the letter of allotment of the share and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. Every instrument of transfer which shall be registered shall be retained by the company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.   |
| Notice of refusal to register transfer  | 64. | If the Board refuses to register the transfer of any share, the company shall, within 30 (thirty) days from the date on which the instrument of transfer was lodged with the company, send to the transferee and the transferor notice of the refusal.   |
| Fee for registration of transfer probate etc  | 65. | The Board may or may not charge a fee not exceeding Rs. 2/- for the registration of each transfer, grant of probate, grant of letters of administration, certificate of death or marriage, power of attorney or other instrument. Such fee, if required by the Board shall be paid before the registration thereof.  |
| Transfer of Securities held in dematerialized form  | 66. | The Company may appoint a share transfer agent or manage the share transfer facility in-house in respect of its transfer of its Securities in compliance with the requirements of the SEBI Regulations. In this regard, the Board, may at its discretion specify a mechanism or procedure to be complied by the shareholders intending to transfer the Securities held by them in the Company.   |
| Recognition of representative of deceased Member  | 67. | The executor or administrator of a deceased Member or the holder of other legal representation (not being one of several registered joint holders) shall be the only person recognised by the company as having any title to the share registered in the name of such Member, and in case of the death of any one or more of the registered joint holders of any share, the survivor shall be the only person recognised by the company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased Member from any liability on the share in respect of which he is registered jointly with any other person. Before recognising any executor or administrator or other person the Board may require him to obtain a grant of probate or letters of administrator or other legal representation, as the case may be, from a competent Court in India and having effect in the place where the Office is situated. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of probate or letters of administration or such other legal representation upon such terms as to Indemnity or otherwise as the Board or Committee thereof, in its absolute, may consider adequate. |
| The Company not liable for disregard of any notice prohibiting registration of a transfer | 68. | The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the register of Members), to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right title or interest or prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company; and the Company shall not be bound or required to regard or attend or give effect to any   |

notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board shall so think fit.

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| Transmission Articles                   | 69. | Any committee or guardian, curator bonis or other legal curator of a lunatic, idiot or non-compos-mentis Member or any person becoming entitled to or to transfer a share in consequence of the death or insolvency of any Member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may, with the consent of the Board or Committee thereof (which the Board shall not be bound to give) be registered as a Member in respect of such share, or may, subject to the regulations as to transfer here in before contained, transfer such share. This Article is hereinafter referred to as "The Transmission Article".  |
| Right to refuse                         | 70. | 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.   |
| Indemnity to the Company                | 71. | The person whose name has been entered in the register of Members upon registration of transfer or transmission of shares by the Company shall indemnify the Company, its Directors, manager, secretary and officers, from and against all actions, suits, proceedings, accounts, claims and demands whatsoever for or on account of said shares or dividends or any part thereof or otherwise in connection with the same, and from and against all losses, costs, claims, actions, demands, risks, charges, expenses and damages arising in any manner howsoever.   |
| Election under the transmission Article | 72. | <ol style="list-style-type: none"><li>(1) If the person so becoming entitled under the Transmission Article shall elect to be registered as a Member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</li><li>(2) If the person aforesaid shall elect to transfer the share he shall testify his election by executing an instrument of transfer of the share.</li><li>(3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of an instrument of transfer of a share shall be applicable to any notice or transfer as aforesaid as if the death, lunacy or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.</li></ol> |
| Rights under the Transmission Article   | 73. | A person so becoming entitled under the Transmission Article to a share by reason of the death or insolvency of a Member shall, subject to the provisions of Section 123 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he were the Member registered in respect of the share except that no such person shall before being registered as a Member in respect of the share be entitled to exercise in respect thereof any right conferred by membership in relation to meetings of the Company.  |

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

Provisions as to transfer and to apply to other Securities 74. The provisions of these Articles relating to transfer and transmission by operation of law shall *mutatis mutandis* apply to any other Securities including debentures of the Company.

#### NOMINATION

Nomination 75. (1) Save as provided in Section 72 of the Act, every holder of Securities of the Company, may at any time, nominate, in the prescribed manner, a person to whom his/her Securities of the Company shall vest in the event of his/her death.

(2) Where the Securities 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 Securities of the Company as the case may be, shall vest in the event of death of all the joint holders.

(3) 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 Securities of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the securities of the Company, the nominee shall, on the death of the holder of Securities or, as the case may be, on the death of the joint holders become entitled to all the rights in such Securities or, as the case may be, all the joint holders, in relation to such Securities, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

(4) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the Company, in the event of his/her death, during the minority.

#### TRANSMISSION OF SECURITIES BY NOMINEE

Transmission of Securities by nominee 76. A nominee, upon production of such evidence as may be required by the Board as per the relevant laws and subject as hereinafter provided, elect, either:

(1) To be registered himself/herself as holder of the share or debenture, as the case may be; or

(2) To make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder, could have made.

(3) If the nominee elects to be registered as holder of the share or debenture, himself/herself, as the case may be, he/she shall deliver or send to the Company, a notice in writing signed by him/her stating that he/she so elects and such notice



shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;

- (4) A nominee shall be entitled to the same dividends and other advantages to which he/she would be entitled to, if he/she were the registered holder of the share or debenture except that he/she shall not, before being registered as a Member in respect of his/her share or debenture, be entitled 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/herself or to transfer the shares or debenture, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of such share or debenture, until the requirements of the notice have been complied with.

#### **INCREASE AND REDUCTION OF CAPITAL**

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| Power to increase capital              | 77. | The Company may, from time to time, increase the capital by the creation of new shares of such amount as may be deemed expedient, in accordance with the provisions of the Act.  |
| New shares to rank with existing share | 78. | Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the then existing capital of the Company and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien and otherwise.   |
| Inequality in number of new shares     | 79. | If, owing to any inequality in the number of new shares to be issued, and the number of shares held by Members entitled to have the offer of such new share, any difficulty shall arise in the apportionment of such new shares or any of them amongst the Members such difficulty shall in the absence of any direction in the resolution passed by the shareholders in respect of issuance of such shares, be determined by the Board. |
| Reduction of capital etc.              | 80. | The Company in General Meeting by Special Resolution, may from time to time reduce its capital and any share premium account or capital redemption reserve account in any manner and with and subject to any incident authorised and consent required by law.  |

#### **ALTERATION OF CAPITAL**

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| Power to sub-divide and consolidate | 81. | Subject to the provisions of Section 61, the Company may:<br><br>(1) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;<br><br>Provided that no consolidation and division which results in changes in the voting percentage of members shall take effect unless it is approved by the National Company Law Tribunal<br><br>(2) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum; |
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- (3) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination
- (4) 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.

Shares may be converted into stock

82. Where shares are converted into stock: -

- (1) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (2) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (3) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

#### **MODIFICATION OF RIGHTS**

Power to modify rights

83. Whenever the capital is divided into different classes of shares all or any of the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of Section 48 of the Act be modified, commuted, affected, abrogated, varied with the consent to in writing by the holders of at least 3/4 (three-fourths) of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the members registered in respect of shares of that class and all the provisions hereinafter contained as to general meetings shall, *mutatis mutandis*, apply to every such meeting except that the quorum thereof shall be at least 2 (two) persons at least holding or representing by proxy not less than 1/3 (one-third) of the issued shares of that class.

#### **BORROWING POWERS**

Conditions of borrowing

84. The Board may subject to the provisions of Sections 73, 74, 76A, 179, 180 and 181, of the Act, raise or borrow any sum or sums for the purposes of the Company and secure repayment of any sum or sums borrowed, in such manner and at such time or times and upon such terms and conditions as it may think fit.

- Issue of debentures 85. Any debentures, debenture-stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit provided that debentures, debenture-stock bonds or other Securities with a right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting by a special resolution. 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.

#### **GENERAL MEETING**

- General Meetings 86. In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 96(1) of the Act and, subject to the provisions of Section 96(2) of the Act, at such times and places as may be determined by the Board. Such general meeting shall be called an “Annual General Meeting” and shall be specified as such in the notice convening the meeting. Any other general meeting of the Company shall be called an “Extraordinary General Meeting”.

- Extraordinary General Meeting 87. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall, on the requisition of Members pursuant to Section 100 of the Act proceed to convene an Extraordinary General Meeting in accordance with the provisions of the said Section 100.

- Circulation of Members’ resolution etc. 88. The Company shall comply with the provisions of Section 111 of the Act as to giving notice of resolutions and circulating statements on the requisition of Members.

- Notice of Meeting 89. Save as provided in Section 101 of the Act, not less than clear 21 (twenty one) days’ notice shall be given of every general meeting of the Company. Every notice of a meeting shall specify the place, date, the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Where any such business consists of special business as hereinafter defined there shall be annexed to the notice a statement complying with Section 102 of the Act. Notice of every meeting of the Company shall be given to every Member of the Company, every director of the Company, to the auditor of the Company and to any person entitled to a share in consequence of the death or insolvency of a Member in any manner hereinafter authorised for the giving of notices to such person.

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

A general meeting may be called after giving shorter notice if consent is received from such number of Members, as provided under the Act in the manner provided thereunder.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- Business of Meeting 90. The ordinary business of an Annual General Meeting shall be to receive and consider the Financial Statements and the report of the Directors and of the auditors, to appoint Directors in the place of those retiring by rotation, to appoint auditors and fix their

remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other general meeting shall be deemed special business.

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| Quorum   | 91. | Save as provided in Section 103 of the Act, no business shall be transacted at any general meeting unless a quorum of Members is present at the meeting. Save as herein, otherwise provided such number of Members present in person shall be a quorum, as prescribed under the Act and SEBI Regulations.   |
| Resolutions  | 92. | Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in general meeting shall be sufficiently so done or passed if effected by an ordinary resolution as defined in Section 114(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a special resolution as defined in Section 114(2) of the Act.   |
| Chairman   | 93. | The Chairman of the Board shall be entitled to take the chair at every general meeting. 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 is unwilling to act, the Members present shall choose another Director as chairman and if no Director be present or if all the Directors present decline to take the Chair, then the Members present shall, on a poll if properly demanded elect one of their Members, being a Member entitled to vote, to be Chairman of the meeting.   |
| When meeting to be dissolved and when to be adjourned    | 94. | Save as provided in Section 103, if within half-an-hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved, but in any other case it 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 time and place as the Board may decide by giving not less than 3 (three) days' notice and if at such adjourned meeting a quorum be not present, those Members who are present and not being less than two shall be a quorum and may transact the business for which the meeting was called. |
| How question to be decided                               | 95. | Every question submitted to a meeting shall unless a poll is demanded or voting is carried out electronically be decided, in the case of an equality of votes, the Chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as a Member.   |
| Inclusions to be made in minutes                         | 96. | The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on such grounds under the Act.   |
| Evidence of passing of resolution where poll not ordered | 97. | At any general meeting, unless a poll is duly ordered by the Chairman or voting is carried out electronically, a declaration by the Chairman that the resolution has or has not been carried, or has or has not been carried either unanimously, or by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of, or against the resolution.   |
| Poll   | 98. | (1) Before or on the declaration of the result of the voting on any resolution a poll may be ordered to be taken by the chairman of the meeting of his own motion   |

and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares in the Company: -

- (a) Which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution; or
- (b) On which an aggregate sum of not less than Rs. 5,00,000 (rupees five lakh) or such higher amount as may be prescribed has been paid up.

(2) A poll on a question of adjournment or on the election of a chairman shall be taken forthwith. A poll on any other question shall be taken in such manner and at such time and place as the Chairman of the meeting directs and subject as aforesaid either at once or after an interval or adjournment or otherwise provided that a poll demanded as aforesaid shall be taken at such time not being later than forty-eight hours from the time when the demand was made. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

(3) The demand for a poll may be withdrawn at any time.

(4) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, one at least of whom shall be a Member (not being an officer or employee of the Company) present at the meeting provided such a Member is available and willing to be appointed, to scrutinise the votes given on the poll and to report to him thereon.

(5) On a poll a Member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

(6) The order for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been ordered.

Power to adjourn

99.

(1) The chairman of general meeting may with the consent of the meeting at which a quorum is present and shall if so directed by the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) Save as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### VOTES OF MEMBERS

Entitlement to vote on show of hands and on poll

100.

Subject to any rights or restrictions for the time being attached to any class or classes of shares:-

- (a) on a show of hands, every Member present in person shall have one vote; and
  - (b) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company.
- Votes of Members      101.      (1) Save as hereinafter provided, every Member present in person or as a duly authorized representative of body corporate, if he is not entitled to vote in his own right shall have one vote. However, every person present Proxy shall not have the right to speak at such meeting and shall not be entitled to vote except on a poll.
- (2) Save as hereinafter provided, on a poll the voting rights of Members shall be as specified in Section 47 of the Act.
- (3) Save as hereinafter provided the voting rights of the holders of the preference shares shall be in accordance with the provisions of Section 47 of the Act.
- (4) The Company shall provide to its Members a facility to exercise their right to vote at general meeting by electronic means as provided in Section 108 of the Act read with Regulation 44 of the LODR. A Member may exercise his right to vote at any general meeting by electronic means and the Company may pass any resolution by an electronic voting system in accordance with the provisions of the Act and shall vote only once. The Company shall provide an electronic voting platform for recording the votes of Members and the number of votes polled in favor or against, such that the entire voting exercised by electronic means gets registered and counted in an electronic registry in a centralized server with adequate cyber security. The electronic voting process shall be conducted in the manner laid down under the Act.
- Procedure where a      102.      Where a company or a body corporate (hereinafter called “Member Company”) is a company is a Member of the Company, a person duly appointed by resolution in accordance with the provisions of Section 113 of the Act to represent such Member Company at a meeting of the Company, shall not, by reason of such appointment, be deemed to be a proxy, and the production at the meeting of a copy of such resolution duly signed by one director of such Member company and certified by him as being a true copy of the resolution shall, on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by Proxy and by postal ballot on behalf of the Members company which he represents, as that Member company could exercise if it were an individual Member.
- Lunatic and insane      103.      A Member of unsound mind, or in respect of whom an order has been made by any Members      court having jurisdiction in lunacy or insanity, 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.
- Members registered      104.      Where there are Members registered jointly in respect of any shares, any one of such jointly      persons may vote at any meeting either personally or by proxy in respect of such share as if they were solely entitled thereto; and if more than one of such Members be present at any meeting either personally or by proxy, then one of the said Members so present whose names stands first in the register of Members in respect of such share alone shall

be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share is registered shall for the purposes of this Article be deemed to be Members registered jointly in respect thereof.

Right to suspend voting rights      105.      Notwithstanding anything contained in these Articles, where the title to any Securities is under dispute before any court, where no injunction subsists (or direction made) as to the exercise of voting rights or other rights of a Member including the rights attached such Securities, the Board shall be entitled to suspend any such right aforesaid.

Proxies      106.      On a poll, votes may be given either personally or by proxy or, in the case of body corporate, by a representative duly authorised as aforesaid.

Instruments appointing proxy      107.      The instrument appointing a proxy shall be in writing in the form prescribed under the Act, and under the hand of the appointor or of his attorney duly authorised in writing or if such appointer is a body corporate be under its Seal or the hand of its officer or attorney duly authorised.

Save as provided in the Act, a person may be appointed a proxy though he is not a Member of the Company and every notice convening a meeting of the Company shall state this with reasonable prominence and that a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights or can be a proxy for a single Member holding more than 10 (ten percent) of the total share capital of the Company carrying voting rights.

Deposit of instruments of proxy      108.      The instrument appointing a proxy and the power-of-attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of authority, shall be deposited at the Office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument purports to vote in respect thereof, or in case of poll 24 (twenty four) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

Validity of vote by proxy      109.      A vote given in accordance with the terms of and instrument appointing proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the Office before the vote is given. Provided nevertheless that the chairman of any meeting shall be entitled to require such evidence as he may in his discretion thinks fit of the due execution of an instrument of proxy and that the same has not been revoked.

Restriction on voting      110.      No Member shall be entitled to exercise any voting right either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.

Admission or rejection of votes.      111.      (1) Any objection as to the admission or rejection of a vote, on a poll made in due time or in any other manner permitted under the Act including voting through electronic means, shall be referred to the Chairman who shall forthwith

determine the same, and such determination made in good faith shall be final and conclusive.

- (2) 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.

Chairman sole judge of the validity of a vote      112.      The chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The chairperson shall be assisted by a scrutinizer, appointed by the Board for that purpose.

### **DIRECTORS**

Numbers      113.      The number of the Directors of the Company shall not be less than 3 (three) or more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution. The constitution of Board of Directors shall be in accordance with the provisions of the Act and the LODR Regulations.

Disqualification of Directors      114.      A person shall not be appointed as a Director of the Company if he incurs any disqualification under Section 164.

Proportion to retire by rotations.      115.      (1) Not less than two-third of the total number of Directors (excluding Independent Directors) shall be persons whose period of office is liable to determination by retirement of Directors by rotation. The Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation.

Nominee Director of Financial Institutions/Bank not to retire by rotation      (2) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remains owing to the Company from a state financial corporation or any financial institutions and/or banks out of any loans/debenture assistance granted to the Company or so long as the financial institutions and/or banks hold or continue to hold any debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished by the financial institutions and/or banks on behalf of the Company remains outstanding, the financial institutions and/or banks shall have the right in terms of Agreement, if any, to appoint from, time to time, any person or persons 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 any such person or persons so appointed and to appoint any other person or persons in his or their place(s). The provisions in these Article as to the retirement of the Directors by rotation shall not apply to such Director/s.

Committees, policies and reports      116.      The Board shall have the power to constitute such Committees as may be deemed necessary or required under the Act or SEBI Regulations and formulate policies for the business, operations and management of the Company.

First Directors      117.      The persons hereinafter named become the first Directors of the Company, that is to say:-



1. SRI H.L. SOMANY

2. SRI O.M. SOMANY

3. SRI B.P. KHAITAN

- Additional Director 118. The Board shall have power from time to time and at any time to appoint any person, other than a person who fails to get appointed as a Director in a general meeting, as an additional Director to the Board but so that. the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only upto the date of the next Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, and shall then be eligible for reappointment.
- Directors' fee, remuneration and expenses 119. (1) (1) Unless otherwise determined by the Company in General Meeting each Director shall be entitled to receive out of the funds of the Company for each meeting of the Board or a Committee thereof attended by him such fee as may from time to time be determined by the Board but not exceeding such as may from time to time be prescribed by or under the Act and applicable to the Company.
- All other remuneration, if any, payable by the Company to each Director in respect of his services as a Director in the whole or part time employment of the Company shall be determined in accordance with and subject to the provisions of these Articles and of the Act. The Directors shall be entitled to be paid their reasonable traveling and hotel and other expenses incurred in the execution of their duties as Directors and in attending and returning from meetings of the Board or any Committee thereof or general meetings of the Company.
- Directors' commission (2) Subject to Section 197 and Schedule V of the Act and unless otherwise determined by the Company in general meeting, all the non-executive Directors together shall be further paid on the net profits of the Company, a commission at the rate of 1% of such profits. Provided, however, if any Director ceases to be a Director before the completion of the year his share of commission will be divided proportionately between him and his successor in office and in the event of there being no successor in office, proportionate amount, which would have been paid to the successor would be divided amongst the continuing Directors equally.
- Board may appoint Whole time Director or Director to executive office 120. Subject to the applicable provisions of the Act, the Board may from time to time appoint one or more Directors (a) to be Whole-time Director or Whole-time Directors or (b) to executive office or offices, either whole-time or part time, upon such terms and conditions and upon such remuneration (either in addition to or in substitution for any other remuneration to which he may be entitled) as the Board may determine and the Board may from time to time entrust to or confer upon such Director[s] such of the powers exercisable by the Board to be exercised for such objects and purposes and with such restrictions as it may think fit and may from time to time revoke, withdraw, alter or vary all or any of such powers.

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| Board may act notwithstanding vacancy                       | 121. | The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum quorum fixed by the Act for the meeting of the Board, the Board shall not, except 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, act so long as the number is below the minimum quorum. |
| Vacation of office  | 122. | The office of a Director becoming vacant on any of the grounds specified in sub-Section (1) Section 167 of the Act such resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.   |
| Office of profit under the Company or its subsidiary        | 123. | A Director or other person referred to in Section 188 of the Act may be appointed to or hold any office or place of profit under the Company or under any subsidiary or associate of the Company in accordance with the provisions of the said Section 188.  |
| Retention by a Director of benefits from associated company | 124. | A Director of the Company may be or become a director of any other company promoted by the Company or in which it may be interested as a vendor, Member or otherwise and no such Director shall be accountable except otherwise required under the Act for any benefits received as a director or Member of such company.  |
| Related Party Transactions                                  | 125. | Company shall comply with provisions of the Act and SEBI Regulations, as applicable, for all the transactions it undertakes with any related party (as defined therein).   |
| Disclosure of Director's interest                           | 126. | The provisions of Sections 184 and 189 of the Act shall be complied with in respect of any contract or arrangement with the Company in which a Director of the Company is in any way, whether directly or indirectly, concerned or interested.   |
| Execution of negotiable instruments                         | 127. | All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.   |

#### **ROTATION OF DIRECTORS**

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| Retirement by rotation.    | 128. | At each Annual General Meeting of the Company 1/3 (one-third) of such of the Directors for the time being as are liable to retire by rotation or if their number is not 3 (three) or a multiple of 3 (three), then the number nearest to 1/3 (one-third) shall retire from office. An additional Director appointed by the Board under Article 118 hereof shall not be liable to retire by rotation within the meaning of this Article. |
| Which Directors to retire  | 129. | The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but between persons who become Directors on the same day, those to retire shall, in default of and subject to any agreement among themselves, be determined by lot.  |
| Resolution for appointment | 130. | Save as permitted by Section 162 of the Act, every resolution of a general meeting for the appointment of a Director shall relate to one named individual only.   |

- Meeting to fill up vacancies 131. The Company, at the Annual General Meeting at which a Director retires by rotation in manner aforesaid may fill the vacated office by appointing the retiring Director or some other person thereto. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill up the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:
- (a) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the vote and lost; or
  - (b) the retiring Director has by notice in writing addressed to the Company or the Board expressed his unwillingness to be re-appointed; or
  - (c) he is not qualified or is disqualified for appointment; or
  - (d) a resolution, whether special or ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act; or
  - (e) the provision to Section 162 of the Act is applicable to the case.
- Power to remove Director 132. The Company may, subject to the provisions of Section 169 of the Act by ordinary resolution of which special notice has been given remove a Director before expiration of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his stead, if the Director so removed was appointed by the Company in General Meeting or by the Board under Article 133. The person so appointed shall hold office until the date up to which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy as a casual vacancy under the provisions of the Act and these Articles.
- Power to fill casual vacancies 133. If any Director appointed by the Company in general meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled by the Board but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such vacancy by appointing thereto any person who has been removed from the office of Director under Article 132.
- Notice of proposed appointment 134. No person not being a Director retiring by rotation shall, subject to the provisions of the Act, be eligible for appointment to the office of Director at any general meeting unless he or some Member intending to propose him as a Director has not less than 14 (fourteen) days before the meeting, left at the office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office, as the case may be along with a deposit of Rs.1,00,000/- or such amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person proposed succeeds in

getting elected as Director or gets more than 25% of total valid votes cast on such resolution.

#### **ALTERNATE DIRECTORS**

- Power to appoint      135.      Subject to the provisions of the Act, the Board may appoint any person, not being a person holding any alternate directorship for any other Director in the Company, to act as alternate Director for a Director during the latter's absence for a period of not less than 3 (three) months from India and such appointee, whilst he holds office as an alternative Director, shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly; but he shall not require any qualification and shall *ipso facto* vacate office if and when the Director in whose place he has been appointed returns to India or the absent Director vacates office as a Director before he so returns to India. No person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

#### **INDEPENDENT DIRECTORS**

- Independent Directors      136.      Pursuant to the provisions of the Act and SEBI Regulations, the Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to 5 (five) consecutive years on the Board of the Company and shall be eligible for re-appointment in accordance with the provisions of the Act and SEBI Regulations. The provisions relating to retirement of Directors by rotation shall not be applicable to the independent Directors.

#### **KEY MANAGERIAL PERSONNEL**

- Key Managerial Personnel      137.      Save as provided in the Act, the Company shall have the following whole time Key Managerial Personnel: (a) Managing Director or chief executive officer, or manager, and in their absence a Whole-time Director; (b) company secretary and (c) chief financial officer.

#### **PROCEEDINGS OF DIRECTORS**

- Meeting of Directors      138.      (1)      Subject to the provisions of the Act and SEBI Regulations, the Board shall meet together at least once in every calendar quarter for the conduct of business and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit provided that at least 4 (four) such meetings shall be held in every calendar year (once in every calendar quarter) in such a manner that not more than 120 (one hundred and twenty) days shall intervene between two consecutive meetings of the Board. Notice in writing of every meeting of the Board shall be given to every Director by hand or by speed post or by registered post or by courier or by facsimile or by email or by any other electronic means or any other means permitted under the Act to the postal address or e-email address registered by the Director with the Company, at least 7 (seven) business days prior to each Board and Committee meeting, unless in any particular case a majority of the Directors agree otherwise. A shorter period of notice may be given subject to the conditions mentioned in the section 173(3) of the Act. The participation of Directors in a meeting of the Board may be either in person or through video conferencing

audio visual means or teleconferencing in accordance with Section 173 of the Act.

- (2) The agenda for each Board and Committee meeting and all papers connected therewith and/or proposed to be placed or tabled before the Board or the Committee shall be circulated at least 7 (seven) days prior to the Board or the Committee meeting and, no items, save and except those specified in the agenda, may be discussed at any Board or Committee meeting, unless permitted by the Chairman of the meeting along with the consent of the majority of the Directors present in the meeting (which majority shall include at least one Independent Director).

Convening of meeting.	139.	A Director may at any time, and the secretary shall, upon the request of a Director made at any time, convene a meeting of the Board.
Chairman	140.	The Board may from amongst their number appoint a chairman of its meetings and determine the period for which he is to hold office. If no such chairman is appointed or if at any meeting of the Board the Chairman be not present within 5 (five) minutes after the time appointed for holding the same, the Directors present shall choose someone of their number to be Chairman of such meeting. The provisions of this Article shall apply <i>mutatis mutandis</i> to the meetings of Committee.
Quorum	141.	The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act and SEBI Regulations. If a quorum shall not be present within 15 (fifteen) minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the chairman of the Board shall appoint.
Power of meeting	142.	A meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board as per the Act and SEBI Regulations.
Decisions	143.	Subject to the provisions of the Act, questions arising at any meeting of the Board or of the Committee shall be decided by a majority of votes, and, in case of an equality of votes, the chairman of the Board or the Committee, as the case may be shall have a second or casting vote. The provisions of this Article shall apply <i>mutatis mutandis</i> to the meetings of Committee.
Power to appoint Committee	144.	The Board may, subject to the provisions of the Act, from time to time and at any time delegate, any of its power to a Committee consisting of such Director or Directors as it thinks fit and may from time to time revoke or alter such delegation. Any Committee so formed shall, in the exercise of the power so delegated, conform to any regulations that may from time to time be imposed upon it by the Board or the Act.
Proceedings of Committee	145.	The meetings and proceedings of any such Committee consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto.

- When acts of a Director valid notwithstanding defective appointment etc. 146. All acts done by any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some-defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
- Resolution by circulation 147. Save in those cases where a resolution is required under the Act to be passed at a meeting of the Board, a resolution passed by the Board by circulation in the manner prescribed under Section 175 of the Act shall be as valid and effectual as if it had been passed at a meeting of the Board or a Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the Members of the Committee of the Board, as the case may be at their address registered with the Company in India by hand delivery or by post or by courier or through electronic means (such as email or fax), and has been approved by a majority of the Directors, as are entitled to vote on the resolution.

#### **MINUTES**

- Minutes to be made. 148. (1) The Company shall in accordance with the provisions of Section 118 of the Act cause minutes to be kept of all proceedings of every general meeting of any class of shareholders or creditors in the Company, and of every resolution passed by postal ballot and every meeting of the Board and of Committees of the Board.
- Inspection of minute books of general meetings. (2) The minutes books of general meeting of the Company shall be kept at the Office and shall be open to inspection by any Member on business day between the hours of 3-00 P.M. and 5-00 P.M.

#### **POWER OF DIRECTORS**

- General powers of the Company vested in the Board. 149. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provision in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

#### **MANAGING DIRECTORS**

- Appointment of Managing Director 150. Subject to the provisions of the Act, the Board may from time to time, appoint one or more Directors to be the Managing Director or Managing Directors of the Company and may, from time to time (subject to, the provisions of any contract between him or

them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

- Powers 151. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may from time to time entrust to and confer upon any Managing Director for the time being such of the powers exercisable under those presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as it thinks fit, and it may confer such powers, either collaterally with, or to the exclusion of and substitution for all or any of the powers of the Board in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- Retirement, resignation etc. 152. Subject to the provisions of Sections 152 of the Act, a Managing Director may be appointed on terms that he shall not, while he continues to hold that office, be subject to retirement by rotation within the meaning of Article 129 but (subject to the provisions of any contract between him and the Company) each Managing Directors shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and they shall *ipso facto* and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
- Which Managing Directors to retire 153. A Managing Director may be a non-retiring Managing Director if so determined by the Board in accordance with the provisions of the Act. If at any time the total number of Managing Directors not subject to retirement by rotation is more than 1/3 (one-third) of the total number of Directors, the Managing Directors who shall not retire be determined by and in accordance with their respective seniorities. For the purpose of this Article seniorities shall be determined by the date of appointment and, in the case of those with seniority from the same day in accordance with the provisions of Article 129.
- Remuneration 154. Subject to the provisions of Sections 197 read with Schedule V of the Act, a Managing Director shall in addition to the remuneration payable to him as a Director of Company under these Articles receive such additional remuneration as may from time to time be determined by the Board.

#### **SECRETARY**

- Appointment of Secretary 155. Subject to the provisions of the Act, secretary may be appointed by the Board for such period and on such terms and conditions as to remuneration or otherwise as the Board may think fit.

#### **THE SEAL**

- The Seal 156. It has been adopted that the Board shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority previously given by the board or a Committee of the Board authorised by the Board in that behalf, and save as provided by Article 17 hereof at least 1 (one) Director shall sign every instrument to which the Seal is affixed. Provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company

notwithstanding any irregularity touching the authority of the Board to issue the same.

### **RESERVES AND DIVIDEND**

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| Reserves                   | 157. | The Board may from time to time before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at the like discretion, either be employed in the business of the Company or subject to the provisions of the Act, be invested in such investments (other than shares of the Company) as the Board may from time to time think fit. The Board may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve.   |
| Capitalisation of Reserves | 158. | Subject to the provisions of the Act, and upon the recommendation of the Board, the Company may reserve the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or have been carried forward without being divided) be capitalised and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized amount be applied on behalf of such Members in paying up in full any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalised amount. Provided that any sum standing to the credit of as share premium account or a capital redemption reserve account may, for the purposes of this Article, only be applied in paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares. |
| Surplus moneys             | 159. | Any general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, be distributed amongst the Members on the footing that they receive the same as capital.  |
| Fractional certificates    | 160. | For the purpose of giving effect to any resolution under the two last preceding Articles the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised funds as may seem expedient to the Board. Where requisite a proper contract shall be filled in accordance with Section 39 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective. Any agreement made under such authority shall be  |



effective and binding on such Members.

Declaration	161.	The Company in general meeting may declare a dividend to be paid to the Members according to their rights and interest in the profits and may, subject to the provisions of Section 127 of the Act, fix the time for payment.
Restriction on amount	162.	No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.
Payable out of profit etc.	163.	(1) Subject to the provisions of Section 123 of Act, no dividend shall be payable except out of the profits of the Company or of moneys provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.
What is deemed net profits		(2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.
Notice of dividend	164.	Notice of any dividend that may have been declared whether interim or otherwise shall be given to the persons entitled to share therein in the manner mentioned in the Act.
Division of profit	165.	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.
Payments in advance	166.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.
Interim dividend	167.	Subject to Section 123 of the Act, the Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company.
Deduction of debts	168.	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.
Dividend and call together	169.	Subject to the provisions of Article 32 any general meeting declaring a dividend may make a call on the Members of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the Member, be set of against the call.
Dividends to be apportioned	170.	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.

No interest on dividend	171.	No dividend shall bear interest against the Company.
Payment in specified assets	172.	Subject to the provision of the Act, any general meeting declaring a dividend may resolve that such dividend be paid wholly or in part, by the distribution of specific assets, and in particular of paid up shares, debentures or debenture-stock of the Company, or paid up shares, debenture stock of any other company, or in any one or more of such ways.
Effect of transfer	173.	Subject to Section 126 of the Act, a transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.
To whom payable	174.	No dividend shall be paid in respect of any share except to the Member registered and Beneficial Owners whose names may be provided by Depositories, in respect of such share or to his order or to his bankers.
Members registered jointly	175.	Any one of several persons who are registered jointly in respect of any share, may give effectual receipts for all dividends, bonuses and other payments in respect of such share.
Payments	176.	Unless otherwise directed in accordance with Section 123 of the Act, and dividend, interest or other moneys payable in cash in respect of any share may be paid by any electronic mode or by cheque or warrant sent by post to the registered address of the Member or in the case of Members registered jointly to the registered address of that one of the Members registered jointly who is first named on the register of Members in respect of such share or to such person and such address as the Member or Members registered jointly, as case may be, may direct, and every cheque or warrant sent shall be made payable to the order of the person to whom it is sent.  Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
Retention of divided	177.	The Board may retain the dividends payable upon shares in respect of which (i) any person is under the transmission clause entitled to become a Member, or which any person under the same clause is entitled to transfer, until such person shall become a Member in respect thereof or shall duly transfer the same; or (ii) there exists a Dispute, till the time the Dispute in relation to such shares is resolved in the opinion of the Board.
Unpaid or unclaimed dividends	178.	Any dividend which has been declared by the Company but has not been paid or claimed (within the meaning of Section 124 of the Act) within 30 (thirty) days from the date of declaration to or by a Member entitled to the payment of such dividend shall be dealt with by the Company in accordance with the Act.

### **BOOKS AND ACCOUNTS**

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| Books of account                              | 179. | The Board shall cause to be kept in accordance with Section 128 of the Act proper books of account and other relevant books and papers and Financial Statements for every financial year of the Company in accordance with Section 128 of Act.  |
| Place of keeping                              | 180. | The books of account shall be kept at the Office or such other place in India as the Board may decide and when the Board so decides, the Company shall within 7 (seven) days of the decision file with the Registrar a notice in writing giving the full address of that other office.  |
| Inspection by Director                        | 181. | Subject to Section 128, the books of account and other books and papers maintained by the Company within India shall be open to inspection at the Office or such other place in India as the Board may decide, during business hours by any Director.   |
| Inspection by Members                         | 182. | The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the books of account and books and documents other than those referred to in Article 148 (2) and 198 or any of them, shall be open to inspection by the Members not being Directors and no Member (not being a Director) shall have any right of inspecting any books of account or book or documents of the Company except as conferred by law or authorised by the Board or by the Company in general meeting. |
| Books of account and vouchers to be preserved | 183. | The books of account of the Company relating to a period of not less than 8 (eight) financial years immediately preceding a financial year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.  |

### **FINANCIAL STATEMENTS**

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| Financial Statement                           | 184. | At every Annual General Meeting the Board shall lay before the Company the Financial Statements made up in accordance with the provisions of Section 129 of the Act and such Financial Statement shall comply with the requirements of Sections 129,133 and 134, Schedule III and other applicable provisions of the Act so far as they are applicable to the Company but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company that it may deem expedient.   |
| Report by Board                               | 185. | There shall be attached to every Financial Statement laid before the Company a report by the Board complying with Section 134 of the Act.   |
| Member's right as to Financial Statement etc. | 186. | A copy of every Financial Statement, including consolidated Financial Statements, if any, the auditors' report and every document required by law to be annexed or attached to the Financial Statements shall, as provided by Section 136 of the Act, not less than 21 (twenty one) days before, the meeting be sent (including via electronic mode as may be permissible under the Act or SEBI Regulations) to every Member, trustee for the holders of any debentures issued by the Company and other persons to whom the same is required to be sent by the said Section provided that so long as the shares of the Company are listed on any recognised stock exchange it shall be sufficient if the copies of the aforesaid documents are made available by the Company for inspection |

at the Office during working hours for a period of 21 (twenty one) days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form approved by the Board and, signed on behalf of the Board in accordance with Section 134 (1) of the Act or copies of the said documents, as the Company may deem fit, is sent (including via electronic mode as may be permissible under the Act or SEBI Regulations) to every Member and other person entitled thereto not less than 21 (twenty one) days before the date of the meeting provided further that any Member or other person referred to in Section 136 of the Act shall on demand be entitled to be furnished free of cost with a copy of the full Financial Statement.

Financial Statement etc. to be filed. 187. The Company shall comply with Section 137 of the Act as to filing copies of the Financial Statement, including consolidated Financial Statements, if any, the auditors' report and every document required by law to be annexed or attached to the Financial Statements with the Registrar.

### AUDITORS

Appointment, and remuneration of Auditors 188. The Company at the Annual General Meeting shall appoint an auditor or auditors to hold office until the conclusion of the every sixth Annual General Meeting, with the meeting wherein such appointment has been made being counted as the first meeting and shall within 15 (fifteen days) of the appointment give, intimation thereof to every Auditor so appointed. The appointment, removal, resignation, remuneration, rights and duties etc. of the Auditor or Auditors shall be regulated by Sections 139 to 146 of the Act.

When Accounts conclusive. 189. Every Financial Statement when audited and adopted by the Company in general meeting shall be conclusive except as regards any error discovered therein within 3 (three) months next after the adoption thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall be conclusive.

### SERVICE OF NOTICES AND DOCUMENTS

How notice to be served on the Company. 190. A notice or other document may be served on the Company in accordance with the provisions of Section 20 of the Act.

How notice to be served on Members. 191. A notice or other document may be served by the Company on a Member or a person entitled to a share in consequence of the death or insolvency of a Member in accordance with Section 20 of the Act.

Transferee etc. bound by prior notice. 192. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the register of Members shall be duly given to the person from whom he derives his title to such share.

Service of notice good 193. Any notice or document served in the manner hereinbefore provided shall notwithstanding such Member be then dead and whether or not the Company has

- notwithstanding death of Member notice of his death, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares.
- Signature on notice 194. Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, photostat.
- Service of process in winding up. 195. Subject to the provisions of the Act, in the event of a winding-up of the Company, every Member of the Company who is not for the time being in the neighborhood of the Office shall be bound, within 8 (eight) weeks after the passing of an effective resolution to wind up the Company voluntarily or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some householder residing in the neighborhood of the Office upon whom all summonses, notices, process, orders and judgement in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee whether appointed by the Member or the liquidator shall be deemed to be good personal service on such Member for all purposes, and where the liquidator makes any such appointment he shall with all convenient despatch give notice thereof to such Member by advertisement in some daily newspaper circulating in the neighborhood of the Office or by a registered letter sent by post and addressed to such Member at his address as registered in the register of Members and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the ordinary course of post. The provisions of this Article shall not prejudice the right of the liquidator of the Company to serve any notice or other document in any other manner prescribed by these Articles.

#### **KEEPING OF REGISTERS AND INSPECTION**

- Registers to be maintained by Company 196. (1) The Company shall duly keep and maintain at the Office the various Registers required to be kept and maintained under the Act.
- (2) Every holder of the Securities issued by the Company shall provide all assistance to the Company including submission of such returns and documents as may be required under the Act, SEBI Regulations and any other applicable law, to enable the Company in maintaining statutory registers under the Act, SEBI Regulations and any other applicable law (including register of significant Beneficial Owners).
- Supply of copies of Registers, etc. 197. The Company shall comply with the requirement of the Act as to the supply of copies of registers, deeds, documents, instruments, returns, certificates and books etc. upon the payment of such fees as prescribed by the Board in accordance with the Act.

- Inspection of Registers etc. 198. Subject to the provisions of these Articles where under any provisions of the Act any person whether a Member of the Company or not is entitled to inspect any register, return, certificate, deeds, instrument or document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during the hours of 3-00 P.M. and 5-00 P.M. on such business days as the Act requires them to be open for inspection.
- When Registers of Members and Debenture-holders may be closed. 199. The Company may, after giving not less than 7 (seven) days' notice or such lesser period as may be specified under the Act and the SEBI Regulations, close the register of Members or the register of debenture holders (including the register of other Security holders, if any), as the case may be, for any period or periods not exceeding in the aggregate 45 (forty-five) days in each year but not exceeding 30 (thirty) days at any one time.
- Foreign Register 200. (1) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.
- (2) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom, and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of Members.

#### **RECONSTRUCTION**

- Reconstruction 201. On any sale of the undertaking of the Company the Board or the liquidators on a winding-up may, if authorised by a special resolution, accept fully paid or partly paid up shares, debentures or Securities of any other company, whether incorporated in India or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Board (if the profits of the Company permit) or the liquidators (in a winding-up) may distribute such shares or Securities, or any other property of the Company amongst the Members without realisation, or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of each shares or other Securities, benefits or property otherwise than in accordance with the strict legal rights of the Members or contributories of the Company, and for the valuation of any such Securities or property at such price and in such manner as the meeting may approve and all Members shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under applicable provisions under the Act.

#### **SECURITY**

- Secrecy 202. Every Director, secretary, trustee for the Company, its 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 a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any general meeting or by Court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

- No Member to enter the premises of the Company without permission.
203. No Member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or, subject to Article 188 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, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Members of the Company to communicate.

#### WINDING-UP

- Distribution of assets.
204. Upon the winding-up of the Company, the holders of preference shares shall be entitled to be paid all arrears of preferential dividend whether earned or declared down to the commencement of winding-up and also to be repaid the amount of capital paid up or credited as paid up on such preference share held by them respectively in priority to the equity shares but shall not be entitled to any further rights to participate in profits or assets subject as aforesaid and to the rights of any other holders of share entitled to receive preferential payment over the equity shares in the event of the winding up of Company, the holders of equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of equity shares in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding-up. If the assets shall be insufficient to repay the whole of the paid up equity capital, such, assets shall be distributed so that as nearly as may be the losses shall be borne by the Members holding equity shares in proportion to the capital paid up or which ought to have been paid up on the equity shares held by them respectively at the commencement of the winding up other than the amounts paid by them in advance of calls.

- Distribution in specie.
205. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, divide among the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators, with the like sanction, shall think fit.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such

division shall be carried out as between the Members or different classes of Members.

**INDEMNITY**

- Indemnity
206. (1) Every Director, manger, 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 as auditor shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, secretary or 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 provisions of the Act in which relief is granted to him by the Court from such liability.
- (2) Subject to the provisions of the Act, every Director, manager, secretary, and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, manager, secretary, and other officer or in any way in the discharge of his duties in such capacity including expenses.
- (3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.



We the subscribers to the Articles of Association of the Hindustan Twyford's Limited, hereby subscribe these presents of even date with the said Memorandum as the Articles of Association of the Company.

	Names, Address and Description of Subscribers	Number of Shares taken by each Subscriber Rs.10/- each	Names, Addresses, and Description of Witnesses
1)	Hiralall Somany Businessman, 13, Gurusaday Road, Calcutta – 19	2,500 Equity	<b>(Hari Prasad Khaitan)</b> Service 2, Wellesley Place, Calcutta-1
2)	Onkarmal Somany Businessman, 8/12, Alipore Road, Calcutta	2,500 Equity	
3)	Rajendra Kumar Somany Businessman, 13, Gurusaday Road, Calcutta – 19	2,500 Equity	
4)	Bhagwati Prasad Khaitan Attorney-at-Law, 1B, Old Post Office Street, Calcutta - 19	100 Equity	
5)	Kamala Devi Somany Housewife, 13, Gurusaday Road, Calcutta – 19	800 Equity	
6)	Ganga Devi Somany Housewife, 8/12, Alipore Road, Calcutta	800 Equity	
7)	Krishna Somany Housewife, 13, Gurusaday Road, Calcutta – 19	800 Equity	
	<b>Total Number of Shares taken</b>	<b>10,000</b>	

Dated the 27<sup>th</sup> day of January, 1960