

**THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
FINKURVE FINANCIAL SERVICES LIMITED**

The regulations contained in table "F" of the first schedule to the Companies Act, 2013 shall not apply to the Company, except in so far as there are embedded in the Articles, which shall be the regulation for the management of the company.

**INTERPRETATION CLAUSE**

1. In the Interpretation of these Articles, unless repugnant to the subject or context:

**"Act"** means "The Companies Act, 2013" or any previous enactment thereof, or any statutory modifications thereto or re-enactment thereof and includes any Rules and Regulations framed thereunder.

**"Articles"** means the Articles of Association of a Company, as originally framed or as altered from time to time or applied in pursuance of any previous company law or the Companies Act, 2013.

**"Annual General Meeting"** means a General Meeting of the Members held in accordance with the provisions of the Section 96 of the Act or any adjourned meeting thereof.

**"Auditors"** means and include those persons appointed as such for the time being in force by the Company or, where so permitted by Applicable Law, by its Board.

**"Applicable Law"** means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of or determination by or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question or mandatory standards as may be applicable from time to time.

**"Agency"** means agency approved or recognized by the Ministry of Corporate Affairs and appointed by the Board for providing and supervising electronic platform for voting.

Note: *Company has reinstated its existing set of Articles of Association drafted as per Companies Act, 1956 by new set of Articles of Association drafted as per Companies Act, 2013 vide Special Resolution passed at the Annual General Meeting, held on 30<sup>th</sup> September, 2016.*



**“Board of Directors”** or **“Board”**, in relation to a company, means the collectively body of the directors of the Company;

**“Board Meeting”** means a meeting of the Directors or a committee thereof duly called and constituted.

**“Beneficial Owner”** means and include beneficial owner as defined in clause (a) sub section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.

**“Capital”** means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

**“Committee”** means any committee of the Board of Directors of the Company formed as per requirements of Act or for any other purpose as the board may deem fit.

**“Company limited by Shares”** means a Company having the liability of its member limited by the memorandum to the amount, if any, unpaid on the shares respectively held by them.

**“Chairman”** means the Chairman of the Board or its Committee, as the case may be, or the Chairman appointed or elected for a Meeting.

**“Chief Executive Officer”** means an officer of a Company, who has been designated as such by the Company.

**“Chief Financial Officer”** means a person appointed as the Chief Financial Officer of a Company.

**“Company Secretary”** or **“Secretary”** means a Company Secretary as defined in clause (c) of sub section(1) of section 2 of the Company Secretaries Act,1980 (56 of 1980) who is appointed by the Company to perform the functions of a Company Secretary under this Act;

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

**“Depositories Act”** means the Depositories Act, 1966 and includes any statutory medication or enactment thereof.

**“Depository”** means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996 (22 of 1996) and includes a company formed and registered under the Companies Act,1956 which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India,1992.

**“Director”** means a director appointed to the Board of a Company

**“Dividend”** includes any interim dividend.

**“Extraordinary General Meeting”** means an Extraordinary General Meeting of Members duly called and constituted and any adjourned holding thereof.;

**“Electronic Mode”** means carrying out electronically based, whether main server is installed in India or not, including, but not limited to:

- i. business to business and business to consumer transactions, data interchange and other digital supply transactions;
- ii. offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
- iii. financial settlements, web based marketing, advisory and transactional services, data based services and products, supply chain management;
- iv. Online services such as telemarketing, telecommunicating, telemedicine, education and information research; and all related data communication services.
- v. Facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail address, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable;
- vi. Posting of an electronic message board or network that the Company or the officer has designated for such communications, and which transmission shall be validity delivered upon the posting;
- vii. Other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
- viii. Video conferencing, audio-visual mode, net conferencing and/or any other electronic communication facility.

**“Financial Year”** means the period ending on the 31<sup>st</sup> day of the March every year.

**“Free Reserves”** means such reserves which, as per the latest audited balance sheet of a Company, are available for distribution as Dividend;

**Provided that –**

- i. any amount representing unrealised gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or

- ii. any change in carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not treated as free reserves.

**"In Writing" and "Written"** means and includes printing, typing, lithography, computer mode and other modes of representing, reproducing words in a visible form.

**"Invitee"** means a person, other than a Director and Company Secretary, who attends a particular Meeting by invitation.

**"Independent Director"** means a Director fulfilling the criteria of independence and duly appointed as per Applicable Law.

**"Key Managerial Personnel"** means such persons as defined in section 2(51) of Act.

**"Managing Director"** means a Director who, by virtue of the Articles of the Company 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, by whatever name called.

**"Members"** in relation to a company, means –(a)the subscribers to the Memorandum of Association of the Company shall be deemed to have agreed to become members of the Company, and on its registration, shall be entered as member in its register of members, (b) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company; (c) every person holding shares in the Company and whose name is entered in Register of Beneficial Owners as Beneficial Owner.

**"Meeting" or "General Meeting"** means a Meeting of the Members of the Company.

**"Minutes"** means a formal written record, in physical or electronic form, of the proceedings of a Meeting.

**"Minutes Book"** means a Book maintained in physical or in electronic form, of the proceedings of a Meeting.

**"Month"** means a calendar month.

**"Maintenance"** means keeping of registers and records either in physical or electronic form , as may be permitted under any law for the time being in force , and includes the making of appropriate entries therein , the authentication of such entries and the preservation of such physical or electronic records.

**“National Holiday”** includes Republic Day i.e. 26<sup>th</sup> January, Independence Day i.e. 15<sup>th</sup> August, Gandhi Jayanti i.e. 2<sup>nd</sup> October and such other day as may be declared as National Holiday by the Central Government.

**“Office”** means the Registered Office of the Company.

**“Ordinary Business”** means business to be transacted at an Annual General Meeting relating to;

- i. the consideration of financial statements, consolidated financial statements, if any, and the reports of the Board of Directors and Auditors;
- ii. the declaration of any dividend;
- iii. the appointment of Directors in the place of those retiring; and
- iv. the appointment or ratification thereof and fixing of remuneration of the Auditors.

**“Ordinary Resolution”** shall have the meaning assigned thereto by Section 114 of the Act.

**“Quorum”** means the minimum number of Directors whose presence is necessary for holding of a Meeting.

**“Persons”** includes corporations as well as individuals.

**“Paid-up share capital”** means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called;

**“Proxy”** means an instrument in writing signed by a Member, authorizing another person, whether a Member or not, to attend and vote on his behalf at a Meeting and also where the context so requires, the person so appointed by a Member.

**“Postal Ballot”** means voting by post through any electronic mode as permitted under Applicable law.

**“Register of Members”** means the register of members, including any foreign register which the Company may maintain to pursuant to the Act and includes Register of Beneficial Owners.

**“Register of Beneficial Owners”** means the register of Members, in case of shares held with a Depository in any media as may be permitted by law, including in any form of electronic mode.

**“Registrar”** means the Registrar of Companies in the state in which the registered office of the Company may be situated.

**“Remote e-voting”** means the facility of casting votes by a Member using an electronic voting system from place other than venue of a General Meeting.

**“Seal”** means the Common Seal of the Company.

**“Securities”** mean shares, Debentures and/or such other securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956.

**“Shares”** means the shares into which the Capital of the company is divided whether held in tangible or fungible form.

**“Small Shareholder”** means a shareholder holding shares of the nominal value of not more than twenty thousand rupees or such other sum as may be prescribed under Applicable Law.

**“Secured Computer System”** means computer hardware, software, and procedure that –

- (a) are reasonably secure from unauthorized access and misuse;
- (b) provide a reasonable level of reliability and correct operation;
- (c) are reasonably suited to performing the intended functions; and
- (d) adhere to generally accepted security procedures.

**“Secretarial Auditor”** means a Company Secretary in a practice appointed in pursuance of the Act to conduct the Secretarial Audit of the Company.

**“Special Business”** means business other than the Ordinary business to be transacted at an Annual General Meeting and all business to be transacted at any other General Meeting.

**“Special Resolution”** means a resolution referred to in Section 114 of the Act.

**“The Company”** or **“This Company”** means **FINKURVE FINANCIAL SERVICES LIMITED**.

**“These Present”** means the Memorandum of Association and the Articles of Association of the Company.

**“Time Stamp”** means the current time of an event that is recorded by a secured Computer System and is used to describe the time that is printed to a file or other location to help keep track of when data is added, removed, sent or received.

**“Whole-time director”** includes a director in the whole time employment of the Company.

**“Year”** means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (41) of the Act.

Term(s) and phrases not specifically defined in these Articles shall bear the same meaning as assigned to the same in the Act.

Reference to the singular includes reference to the plural and vice versa;

Reference to any gender includes a reference to all genders;

### **ARTICLES TO BE CONTEMPORARY IN NATURE**

2. The intention of these Articles is to be in consonance with the contemporary rules and regulation prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, 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 by virtue of an amendment subsequent to registration of the Articles.

### **SHARE CAPITAL, INCREASE AND REDUCTION OF CAPITAL**

#### **Amount of Capital**

3. The Authorised Share Capital of the company shall be capital as specified in the Memorandum of Association, with power to increase and reduce the Share Capital for the time being into several preferential, deferred, qualified by or special rights, privileged or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles of Association.

#### **Increase of Capital by the Company and how carried in to effect**

4. The Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares. Subject to the provisions of the Act, any Shares of the original or increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Board shall determine, and in particular, such shares may be issued with a preferential or qualified right to Dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the directors shall comply with the provisions of Section 64 of the Act or any such compliance as may be required by the Act for the time being in force.

#### **New Capital part of the existing Capital**

5. Except in so far as otherwise provided in the conditions of issue of Shares, any Capital raised by the creation of new Shares shall be considered as part of the existing Capital, and shall be subject to provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

#### **Issue of redeemable Preference Shares**

6. Subject to the provisions of Section 55 of the Act and other applicable Law, any Preference Shares may be issued from time to time, on the terms that they are redeemable with 20 years (except for infrastructure projects) on such terms and in such manner as the Company by the terms of the issue of the said Shares may determine.

#### **Provision applicable on the issue of Redeemable Preference Shares**

7. On the issue redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect:
  - i. No such Shares shall be redeemed except out of the profits of the Company, which would otherwise be available for Dividend, or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
  - ii. No such Shares shall be redeemed unless they are fully paid.
  - iii. Such Shares shall be redeemed as per their terms.
  - iv. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before such shares are redeemed.
  - v. Where any such shares are redeemed out of profits of the Company, there shall, out of the profits which would otherwise have been available for Dividend, be transferred to a Reserve Fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid up Share Capital of the Company.

#### **Provisions applicable to any other Securities**

8. The Board shall be entitled to issue from time to time, subject to the provisions of the Act, any other Securities, including Share Warrants, Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached securities, carrying such terms as to coupon, returns, repayment, servicing, as may be issued at premium or discount, and redeemed at premium or discount, as may be determined by



the terms of the issuance. Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.

### **Reduction of Capital**

9. That Company may subject to the provisions of Section 52, 55, 66 (to be effective on notification) of the Act or any other applicable provisions of law for the time being in force from time to time by way of Special Resolution reduce its Share Capital, any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorized by law.

### **Sub-Division, Consolidation and Cancellation of Shares**

10. Subject to the provisions of Section 61 of the Act;

- I. A company may, if so authorized by its articles, alter its memorandum in its general meeting to-

- a) increase its authorized share capital by such amount as it thinks expedient;
- b) consolidate and divide all or any of its share capital into shares of a larger amount than its adjusting shares:

**Provided** that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

- c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- e) cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

- II. The cancellation of shares under sub-section (1) shall not be deemed to be a reduction of share capital.

### **Variation of Shareholder's Rights**

11. Whenever the Share Capital is divided into different types or classes of shares, all or any of the rights and privileges attached to each type or class may, subject to the provisions of Section 48 (to be effective on notification) of the Act, be varied with the consent in writing of the holders of at least three-fourths of the issued Shares of the class or by means of a Special Resolution passed at a separate Meeting of the holders of the issued Shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such class Meeting.

**Provided** that if variation by one class of Shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained.

### **Further Issue of Capital**

12. Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, such shares shall be offered to persons, who on the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions namely:

- i. The offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
- ii. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in 12(i) hereof shall contain a statement of this right.
- iii. After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the interest of the Company.

13. Notwithstanding anything contained in the Article No. 12 the further shares aforesaid may be offered in any manner whatsoever, to:

- i. Employees under a scheme of Employees Stock Option Scheme, subject to Special Resolution passed by the Company and subject to other conditions prescribed under the Act and rules made thereunder.
- ii. To any persons on Private Placement or on preferential basis, whether or not those persons include the persons referred to Article

No. 12 or 13(i), either for cash or for a consideration other than cash, if so decided by a Special Resolution, subject to conditions prescribed under the Act and rules made thereunder and other applicable laws;

14. Nothing in Article No. 12 and 13 shall be deemed;

- i. To extend the time within which the offer should be accepted; or
- ii. To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take shares comprised in the renunciation.

15. Nothing contained in the Articles 12 to 14 shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loan raised by the Company to convert such Debentures or loans into shares in the Company;

**Provided** that the terms of issue of such Debentures or the terms of such loans containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in General Meeting.

#### **Shares at the disposal of the Board**

16. Subject to the provisions above, and applicable provisions of the Act, the Securities of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at a par and such time as they from time to time think fit and to give to any person or persons the option or right to call for any shares either at a par or premium during such time and for such consideration as the Board think fit, and may issue and allot shares in the capital of the Company or other securities or payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

#### **Power to Issue Shares, Securities and other Instruments outside India**

17. Pursuant to the provisions of the Act, and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and/or any other authorities or institutions as may be relevant (hereinafter collectively referred to as "Appropriate Authorities") and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions, the Company will be entitled to issue and allot in the international capital markets, Equity Shares and/or any instruments or

securities (including Global Depository Receipts) representing Equity Shares, any such instruments or securities being either with or without detachable warrants attached thereto entitling the Warrant holder to Equity Shares/instruments or securities representing Equity Shares (hereinafter collectively referred to as “the Securities”) to be subscribed to in foreign currency/currencies by foreign investors (whether individuals and/or bodies corporate and/or institutions and whether shareholders of the Company or not) for an amount, inclusive of such premium as may be determined by the Board. The provisions of this Article shall extend to allow the Board to issue such foreign securities, in such manner as may be permitted by Applicable law.

### **Acceptance of Shares**

18. Any application signed by or on behalf of an applicant, for shares in the Company, followed by an allotment of any share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts Shares and whose name is on the Register of Members shall for the purpose of these Articles, be a Member.

### **Deposit and Call to be a Debt payable immediately**

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

### **Liability of Members**

20. Every Member, or his heirs, executors or administrators shall pay to the Company the portion of the Capital represented by his share or share which may, for the time being, remain unpaid thereon, in such amounts, at such time or time in accordance with the Company’s regulations, require or fix for the payment thereof.

### **Shares not to be held in Trust**

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

### **The first named Joint Holder deemed to be Sole Holder**

22.If any share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any earlier matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a share shall, severally as well as jointly be liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the Company's regulations.

### **Register of Members and Index**

23.The Company shall maintain a Register of Members and index in accordance with Section 88 of the Act. The details of shares held in physical or dematerialised forms may be maintained in a media as may be permitted by law including in any form of electronic media.

The Company may also keep a foreign register in accordance with Section 88 of the Act and rules made thereunder, containing the names and particulars of the Members, Debenture holders, other Security holders or Beneficial Owners residing outside India.

24.The registers and indices maintained pursuant to Section 88 and copies of returns prepared pursuant to Section 92, shall be open for inspection during business hours, at such reasonable time on every working day as the Board may decide, by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of such of such fee as may be specified in the Articles of Association of the Company but not exceeding fifty rupees for each inspection. For the purpose of this sub-rule, reasonable time of not less than two hours on every working day shall be considered by the Company.

25.Any such member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register or entries therein or return on payment of such fee as may be specified in the Articles of Association of the Company but not exceeding ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.

### **SHARE CERTIFICATES**

#### **Share Certificate to be numbered progressively and no share to be subdivided**

26.The share certificates shall be numbered progressively according to their several denominations specify the shares to which it relates and bear the seal of the Company, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered Share Certificate shall continue to bear the number by which the same was originally distinguished.

#### **Limitation of time for Issue of Certificates**

27. Every Member, other than a Beneficial Owner, shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Board approve (upon paying such fee as the Board may from time to time determine) to several certificates each for one or more of such Shares and the Company shall complete and have ready for delivery of such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide or within one months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every Certificate of Shares shall be under the Seal of the Company which shall be affixed as prescribed in the applicable law and shall specify the number and distinctive number of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Board or Committee thereof may prescribe and approve, provided that in respect of a Share(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holders.

**Issue of new Certificate in place of one defaced, lost or destroyed**

28. If any certificate be worn out, defaced, mutilated, old/or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation then upon production and surrender such certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced as the Board deems adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the article shall be issued in case of splitting or consolidation of Share Certificate(s) or in replacement of Share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out without payment of fees if the Board so decide, or on payment of such fees (not exceeding Rs. 20/- for each certificate) as the Board shall prescribe.

Further, no duplicate certificate shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board or Committee thereof and only on furnishing of such supporting evidence and/or indemnity as the Board may require, and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced, without payment of fees if the Board so decide, or on payment of such fees (not exceeding Rs. 20/- for each certificate) as the Board shall prescribe.

**Provided** that notwithstanding what is stated above the Board or Committee thereof shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf; provided further, that the Company

shall comply with the provisions of Section 46 of the Act and other applicable law in respect of issue of duplicate shares.

29. All books and documents relating to the issue of Share certificates including the blank of share certificates shall be kept in safe custody and to be properly maintained and preserved in accordance with the manner laid down in Applicable Law.
30. The provision of Article 26, 27, 28 and 29 shall *mutatis mutandis* apply to issue of certificates of Debentures of the Company or to any other securities issued by the Company.

### **BUY BACK OF SECURITIES BY THE COMPANY**

31. Subject to the provisions of Sections 68, 69 and 70 of the Act and such other regulations as prescribed by Securities and Exchange Board of India (SEBI) or any other authority for the time being in force, the Company may purchase its own shares or other specified securities. The power conferred herein may be exercised by the Board, at any time and from time to time, where and to the extent permitted by Applicable Law, and shall be subject to such rules, applicable consent or approval as required.

### **UNDERWRITING AND BROKERAGE**

#### **Commission may be paid**

32. Subject to the provisions of Section 40 (6) of the Act and rules made there under, and subject to the applicable SEBI guidelines and subject to the terms of issue of the shares or Debentures or any securities, as defined in the Securities Contract (Regulations) Act, 1956 the Company may at any time pay a commission out of proceeds of the issue or profit or both to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for in or Debentures of the Company, or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, Debentures or of the Company but so that the commission shall not exceed in case of shares, five percent of the price at which the shares are issued, and in case of Debentures are issued or at such rates as may be fixed by the Board within the overall limit prescribed under the Act or Securities and Exchange Board of India Act, 1992. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid shares, securities or Debentures or partly in one way and partly in the other.

### **CALL ON SHARES**

#### **Board of Directors may make calls**

33. The Board of Directors may, from time to time and subject to the terms on which Shares have been issued and subject to the conditions of allotment, by

a resolution passed at a meeting of the Board, or otherwise as permitted by Applicable Law make such call as it thinks fit upon the members in respect of all moneys unpaid on the Shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments.

34. The option or right to make calls on shares shall not be given to any person except with the sanction of the Board of Directors of the Company.

#### **Notice of Calls**

35. Each member shall, subject to receiving fourteen days notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

36. A call may be revoked or postponed at the discretion of the Board.

#### **Calls deemed to have been made from the date of Resolution**

37. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed as provided herein and may be required to be paid by installments.

#### **Board may extend time**

38. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members to whom the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension as a grace or favor.

#### **Calls to carry interest**

39. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at a rate, as the Board may determine and as permissible under the Applicable law. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such member.

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

#### **Sums deemed to be Calls**

41. Any sum, which may by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of



the share or by way of premium, shall for the purposes of these articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

#### **Proof on trial of Suit for money due on Shares**

42. At the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member, in respect of whose shares, the Money is sought to be recovered appears entered on the register of Members as holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of such money is sought to be recovered, that the resolution making the call is duly recorded in the Minute book, and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors was present at the Board at which any call was made nor that the Meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

#### **Partial payment not to preclude Forfeiture**

43. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

#### **Payment in anticipation of Call may carry Interest**

44. The Board may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time excess the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12%, as the member paying such sum in advance and the Board agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Board may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so

paid by him until the same would but for such payment, become presently payable.

45. The provisions of these Articles shall mutatis mutandis apply to the calls on Debenture or other Securities of the Company.

## **LIEN**

### **Company to have Lien on Shares**

46. The Company shall have a first and paramount lien upon all the Shares/Debenture/Securities (other than fully paid-up Shares/Debentures/Securities) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures/Securities and no equitable interest in any shares shall be created except upon the footing, and upon the condition that this Article will have full effect and any such lien shall extend to all dividends and bonuses 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/Debentures/Securities.
47. The Board may at any time declare any Shares/Debentures/Securities wholly or in part to be exempt from the provision of this Article. Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares for Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

### **As to enforcing lien by sale**

48. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their member to execute a transfer thereof on the behalf of and in the name of such member. The purchaser of such transferred shares shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be attached by any irregularity or invalidity in the proceedings in reference to the sale.
49. No sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of thirty days after a notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for thirty days after such notice.

### **Application of proceeds of sale**

50. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which 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 persons entitled to the shares at the date of the sale.

### **FORFEITURE OF SHARE**

#### **If call or installment not paid notice may be given**

51. 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 notice on such member requiring him of so much of the call or installments as is unpaid, together with any interest that may have accrued.

#### **Form of Notice**

52. The notice aforesaid shall:

- i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- ii. state that in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

#### **If notice not complied with Shares may be forfeited**

53. If the requirements 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 required by the Notice has been made be forfeited by a resolution of the Board to that effect.

#### **Notice of forfeiture to a member**

54. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

#### **Forfeited share to become property of the Company**

55. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re allot or otherwise dispose of the same in such manner as think fit.

### **Power to cancel forfeiture**

56. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

### **Liability on forfeiture**

57. A person whose Share has been forfeited shall cease to be a Member in respect of the forfeited share, but shall notwithstanding, remain liable to pay, and shall forthwith pay to the Company, all calls, or installment, interest and expenses, owing in respect of such Share at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be 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.

### **Effect of forfeiture**

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

### **Evidence of forfeiture**

59. A duly verified declaration in writing that the declarant is a Director, the manager or the 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.

### **Cancelation of Share certificate in respect of forfeited shares**

60. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on deemed by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a duplicate certificates in respect of the said shares to the person or persons, entitled thereto as per the provisions herein –

- i. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.
- ii. The transferee shall thereupon be registered as the holder of the share; and

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

**These Articles to apply in case of any non-payment**

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

**Capitalisation of Profits**

62. (i) The Company in general meeting may, upon the recommendation of the Board, resolve-

- a) That it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- b) That such sum be accordingly set free for distribution in the manner specified in clause (ii) above amongst the members who could have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-

- a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up to and amongst such members in the proportions aforesaid;
- c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause(b);
- d) A securities premium account and a Capital Redemption Reserve Account may, for the purposes of this regulation, be applied in the paying of unissued shares to be issued to members of the Company as fully paid bonus shares;
- e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

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

## **TRANSFER AND TRANSMISSION OF SHARES**

### **Register of Transfers**

64. The Company shall keep a book to be called the "Register of Transfers", and therein shall be fairly and directly entered particulars of every transfer or transmission of any share.

### **Instruments of Transfer**

65. The instrument of transfer shall be in the form prescribed under section 56 of the Act and rules made thereunder.

66. The Board may, subject to the right of appeal conferred by section 58 decline to register—

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

67. The Board may decline to recognise any instrument of transfer unless—

- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

68. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### **Transmission of shares**

69. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

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

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

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

(ii) 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.

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

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

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

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

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

73. The Company shall within one month from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving reasons for such refusal. Provided that the registration of a transfer 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 has a lien on shares.

### **NOMINATIONS**

74. Every holder of shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.

75. Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

76. Notwithstanding anything to the contrary contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholders or holder of debentures of the company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or dentures of the



Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under this provision of the Act.

77. Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

### **DEMATERIALISATION OF SECURITIES**

78. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

#### **Dematerialisation of Securities**

79. The Board or any Committee thereof shall be entitled to dematerialise Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended. The provisions of this Section will be applicable in case of such Securities as are or are intended to be dematerialised.

#### **Board to recognize Beneficial Owners of Securities**

80. Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of a beneficial owner.

81. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.

82. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognize any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

#### **Options for Investors**

83. Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities 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

securities in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.

84. If a person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

#### **Securities in depositories to be in fungible form**

85. All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owner.

#### **Rights of Depositories and Beneficial Owners**

86. (i) Notwithstanding anything to the contrary contained in these, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in sub-clause above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of Securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.

#### **Service of Documents**

87. Notwithstanding anything to the contrary contained in these Articles, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode or by delivery of floppies or discs.

#### **Transfer of Securities**

88. Nothing contained in Section 56 of the Act or anything to the contrary contained in these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of who are entered as Beneficial Owners in the records of a Depository.

#### **Allotment of Securities dealt within a Depository**

89. Notwithstanding anything to the contrary contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

### **Distinctive number of Securities held in a Depository**

90. Notwithstanding anything to the contrary contained in 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 of Beneficial Owners**

91. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

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

92. Copies of the Memorandum and Articles of Association of the Company shall be sent by the Board to every Member at his request within seven days of the request on payment of such fees as is prescribed in the Act or Rules thereunder, and where no such fees is prescribed in the Act or Rules, Rs.100/- for each copy.

### **BORROWING POWERS**

#### **Power to Borrow**

93. The Board may, from time to time, at its discretion subject to the provisions of these Articles, Section 73 to 76, 179, 180 of the Act or Applicable Law, raise or borrow, and secure the payment of any sum or sums of money for the purpose of the Company; by a resolution of the Board, or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the Paid up Capital of the Company and its free reserves.

#### **Conditions on which Money may be borrowed**

94. Subject to the provisions contained in the Article 93, the Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, or other Securities, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

#### **Terms of Issue of Debentures**

95. Any Debentures, Debenture stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit. Provided that Debenture with a right to allotment or conversion into shares shall be issued in conformity with the provisions of Section 62 of the Act. Debentures, Debenture stock, bonds and other Securities may be made assignable free from any equities from the Company and the person to whom it may be issued. Debentures, Debenture stock, bonds or other Securities with a right of conversion into or allotment of shares shall be issued only with such sanctions as may be applicable.

#### **Instrument of Transfer**

96. Save as provided in Section 56 of the Act, no transfer of Debentures shall be registered unless a proper instrument of transfer duly executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures; Provided that the Company may issue non transferable Debentures and accept an assignment of such instruments.

#### **Delivery of Certificates**

97. Deliver by the Company of Certificates upon allotment or registration of transfer of any Debentures, Debenture stock or bond issued by the Company shall be governed and regulated by Section 56 of the Act.

#### **Register of Charge, Etc.**

98. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 77 to 87 of the Act, both inclusive of the Act, in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

#### **Register and Index of Debenture Holders**

99. The Company shall, if at any time it issues Debentures, keep Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Debenture-stock, resident in that State or Country.

### **GENERAL MEETINGS**

#### **Annual General Meeting**

100. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.

101. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated.
102. In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:
- i. the consideration of financial statements and the reports of the Board of Directors and the Auditors;
  - ii. the declaration of any Dividend;
  - iii. the appointment of Directors in place of those retiring;
  - iv. the appointment of, and the fixing of the remuneration of the Auditors.

### **Conduct of E-voting**

103. The company shall provide e-voting facility to all Members, irrespective of whether they hold shares in physical form or in dematerialised form. The facility for Remote e-voting shall remain open for not less than three days. The voting period shall close at 5 p.m. on the day preceding the date of the General Meeting.
104. The Board shall:
- a) appoint one or more scrutinisers for e-voting or the ballot process;
  - b) appoint an Agency;
  - c) decide the cut-off date for the purpose of reckoning the names of Members who are entitled to Voting Rights;
  - d) authorise the Chairman or in his absence, any other Director to receive the scrutiniser's register, report on e-voting and other related papers with requisite details.

### **Extra-Ordinary General Meeting**

105. Items of business other than Ordinary Business may be considered at an Extra-Ordinary General Meeting or by means of a postal ballot, if thought fit by the Board.
106. All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.
107. In case of meeting other than Annual General Meeting, all business shall be deemed special.
108. The Board may, whenever it thinks fit, call an Extraordinary General Meeting.

## **Postal Ballot**

109. Where permitted or required by Applicable Law, Board may, instead of calling a meeting of any Members/ Class of Members/ Debenture-holders, seek their assent by Postal Ballot. Such Postal ballot will comply with the provisions of the Act and Rules made thereunder in this behalf.
110. The Board shall:
- (a) identify the businesses to be transacted through postal ballot;
  - (b) approve the Notice of postal ballot incorporating proposed Resolution(s) and explanatory statement thereto;
  - (c) authorise the Company Secretary or where there is no Company Secretary, any Director of the company to conduct postal ballot process and sign and send the Notice along with other documents ;
  - (d) appoint one scrutiniser for the postal ballot.
  - (e) appoint an Agency in respect of e-voting for the postal ballot;
  - (f) decide the record date for reckoning Voting Rights and ascertaining those Members to whom the Notice and postal ballot forms shall be sent.
  - (g) decide on the calendar of events.
  - (h) authorise the Chairman or in his absence, any other Director to receive the scrutiniser's register, report on postal ballot and other related papers with requisite details.
111. Notice of the postal ballot shall be given in writing to every Member of the company. Such Notice shall be sent either by registered post or speed post, or by courier or by e-mail or by any other electronic means at the address registered with the company.
112. In case of companies having a website, Notice of the postal ballot shall also be placed on the website.
113. Notice shall specify the day, date, time and venue where the results of the voting by postal ballot will be announced and the link of the website where such results will be displayed.
114. Notice of the postal ballot shall inform the Members about availability of e-voting facility, if any, and provide necessary information thereof to enable them to access such facility. In case the facility of e-voting has been made available, the provisions relating to conduct of e-voting shall apply, mutatis mutandis, as far as applicable. Notice shall describe clearly the e-voting procedure. Notice shall also clearly specify the date and time of commencement and end of e-voting, if any and contain a statement that

voting shall not be allowed beyond the said date and time. Notice shall also contain contact details of the official responsible to address the grievances connected with the e-voting for postal ballot. Notice shall clearly specify that any Member cannot vote both by post and e-voting and if he votes both by post and e-voting, his vote by post shall be treated as invalid. The advertisement shall, inter alia, state the following matters:

- a) a statement to the effect that the business is to be transacted by postal ballot which may include voting by electronic means;
- b) the date of completion of dispatch of Notices;
- c) the date of commencement of voting (postal and e-voting);
- d) the date of end of voting (postal and e-voting);
- e) the statement that any postal ballot form received from the Member after thirty days from the date of dispatch of Notice will not be valid;
- f) a statement to the effect that Member who has not received postal ballot form may apply to the company and obtain a duplicate thereof;
- g) contact details of the person responsible to address the queries/grievances connected with the voting by postal ballot including voting by electronic means, if any; and
- h) day, date, time and venue of declaration of results and the link of the website where such results will be displayed.

115. Each item proposed to be passed through postal ballot shall be in the form of a Resolution and shall be accompanied by an explanatory statement which shall set out all such facts as would enable a Member to understand the meaning, scope and implications of the item of business and to take a decision thereon.

116. The Postal Ballot form shall be accompanied by a postage prepaid reply envelope addressed to the Scrutinizer.

117. The Postal Ballot form shall contain instructions as to the manner in which the form is to be completed, assent or dissent is to be recorded and its return to the scrutiner.

118. Based on the scrutiner's report, the Chairman or any other Director authorised by him shall declare the result of the postal ballot on the date, time and venue specified in the Notice, with details of the number of votes cast for and against the Resolution, invalid votes and the final result as to whether the Resolution has been carried or not.

119. The result of the voting with details of the number of votes cast for and against the Resolution, invalid votes and whether the Resolution has been

carried or not, along with the scrutiniser's report shall be displayed on the Notice Board of the company at its Registered Office and its Head Office as well as Corporate Office, if any, if such office is situated elsewhere, and also be placed on the website of the company, in case of companies having a website.

120. The Resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the company for receipt of duly completed postal ballot forms or e-voting.
121. The postal ballot forms, other related papers, register and scrutiniser's report received from the scrutiniser shall be kept in the custody of the Company Secretary or any other person authorised by the Board for this purpose.
122. A Resolution passed by postal ballot shall not be rescinded otherwise than by a Resolution passed subsequently through postal ballot.
123. No amendment or modification shall be made to any Resolution circulated to the Members for passing by means of postal ballot.

#### **Calling of General Meeting on requisition**

124. The Board may, call an Extraordinary General Meeting upon receipt of a written requisition from any member or members holding in the aggregate not less than one-tenth of such of the Paid-up Capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
125. Any meeting called as above by the requisitioner shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.
126. If, on receipt of a valid requisition having been made in this behalf, the Board, within twenty-one days from the date of such receipt, fails to call a Meeting on any day within forty-five days from the date of receipt of such requisition, the requisitionists may themselves call and hold the Meeting within three months from the date of requisition, in the same manner in which the Board should have called and held the Meeting.

Explanatory statement need not be annexed to the Notice of an Extraordinary General Meeting convened by the requisitionists and the requisitionists may disclose the reasons for the Resolution(s) which they propose to move at the Meeting.

Such requisition shall not pertain to any item of business that is required to be transacted mandatorily through postal ballot.



## **Notice of General Meeting**

127. Notice in writing of every Meeting shall be given to every Member of the company. Such Notice shall also be given to the Directors and Auditors of the company, to the Secretarial Auditor, to Debenture Trustees, if any, and, wherever applicable or so required, to other specified persons. In the case of Members, Notice shall be given at the address registered with the Company or depository. In the case of shares or other securities held jointly by two or more persons, the Notice shall be given to the person whose name appears first as per records of the Company or the depository, as the case may be. In the case of any other person who is entitled to receive Notice, the same shall be given to such person at the address provided by him. Where the company has received intimation of death of a Member, the Notice of Meeting shall be sent as under:

- a) where securities are held singly, to the Nominee of the single holder;
- b) where securities are held by more than one person jointly and any joint holder dies, to the surviving first joint holder;
- c) where securities are held by more than one person jointly and all the joint holders die, to the Nominee appointed by all the joint holders; In the absence of a Nominee, the Notice shall be sent to the legal representative of the deceased Member.

In case of insolvency of a Member, the Notice shall be sent to the assignee of the insolvent Member. In case the Member is a company or body corporate which is being wound up, Notice shall be sent to the liquidator.

128. Notice of the Meeting, wherein the facility of e-voting is provided, shall be sent either by registered post or speed post or by courier or by e-mail or by any other electronic means. An advertisement containing prescribed details shall be published, immediately on completion of despatch of notices for meeting but at least twenty one days before the date of the General Meeting, at least once in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated and having a wide circulation in that district and at least once in English language in an English newspaper, having country-wide circulation, and specifying therein, inter-alia the following matters, namely:-

- a. A statement to the effect that the business may be transacted by e-voting;
- b. The date and time of commencement of remote e-voting;
- c. The date and time of end of Remote e-voting;
- d. The cut-off date as on which the right of voting of the Members shall be reckoned;

- e. The manner in which persons who have acquired shares and become Members after the despatch of Notice may obtain the login ID and password;
- f. The manner in which company shall provide for voting by Members present at the Meeting;
- g. The statement that-
  - i. Remote e-voting shall not be allowed beyond the said date and time;
  - ii. a Member may participate in the General Meeting even after exercising his right to vote through Remote e-voting but shall not be entitled to vote again; and
  - iii. a Member as on the cut-off date shall only be entitled for availing the Remote e-voting facility or vote, as the case may be, in the General Meeting;
- h. Website address of the company, in case of companies having a website and Agency where Notice is displayed; and
- i. Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the e-voting.

Advertisement shall also be placed on the website of the company, in case of companies having a website and of the Agency.

129. In case of companies having a website, the Notice shall be hosted on the website. Notice shall specify the day, date, time and full address of the venue of the Meeting. Notice shall contain complete particulars of the venue of the Meeting including route map and prominent land mark for easy location. In case of companies having a website, the route map shall be hosted along with the Notice on the website.

130. Notice shall clearly specify the nature of the Meeting and the business to be transacted thereat. In respect of items of Special Business, each such item shall be in the form of a Resolution and shall be accompanied by an explanatory statement which shall set out all such facts as would enable a Member to understand the meaning, scope and implications of the item of business and to take a decision thereon. In respect of items of Ordinary Business, Resolutions are not required to be stated in the Notice except where the Auditors or Directors to be appointed are other than the retiring Auditors or Directors, as the case may be.

131. Notice and accompanying documents shall be given at least twenty-one clear days in advance of the Meeting. For the purpose of reckoning twenty-one days clear Notice, the day of sending the Notice and the day of Meeting shall not be counted. Further in case the company sends the Notice by post or courier, an additional two days shall be provided for the service of Notice. In case a valid special notice under the Act has been received from Member(s), the company

shall give Notice of the Resolution to all its Members at least seven days before the Meeting, exclusive of the day of dispatch of Notice and day of the Meeting, in the same manner as a Notice of any General Meeting is to be given.

132. Notice and accompanying documents may be given at a shorter period of time if consent in writing is given thereto, by physical or electronic means, by not less than ninety-five per cent of the Members entitled to vote at such Meeting.
133. No items of business other than those specified in the Notice and those specifically permitted under the Act shall be taken up at the Meeting.
134. Notice shall be accompanied, by an attendance slip and a Proxy form with clear instructions for filling, stamping, signing and/or depositing the Proxy form.
135. A Meeting convened upon due Notice shall not be postponed or cancelled. If, for reasons beyond the control of the Board, a Meeting cannot be held on the date originally fixed, the Board may reconvene the Meeting, to transact the same business as specified in the original Notice, after giving not less than three days intimation to the Members. The intimation shall be either sent individually in the manner stated in this Standard or published in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated, and in an English newspaper in English language, both having a wide circulation in that district.
136. The accidental omission to give notice or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceeds of the meeting.

#### **Meeting not to transact Business not mentioned in Notice**

137. No general Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

#### **Quorum at General Meeting**

138. Quorum shall be present throughout the Meeting. Quorum shall be present not only at the time of commencement of the Meeting but also while transacting business. Proxies shall be excluded for determining the Quorum.
139. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

140. Save as otherwise provided herein, the quorum for the general meeting shall be as provided in Section 103 of the Act.
141. A duly authorised representative of a body corporate or the representative of the President of India or the Governor of a State is deemed to be a Member personally present and enjoys all the rights of a Member present in person. Members who have voted by Remote e-voting have the right to attend the General Meeting and accordingly their presence shall be, counted for the purpose of Quorum. A Member who is not entitled to vote on any particular item of business being a related party, if present, shall be counted for the purpose of Quorum.
142. If at the expiration of half an hour from the time appointed for holding meeting of the Company, quorum is not present, the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or, if that day is a National holiday, until the next succeeding day which is not a National holiday at the same time and place as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called. Provided, however, that the Company shall give not less than three days notice to the members either individually or by publishing an advertisement in newspapers (one in English and one in vernacular language) which is in circulation at the place where registered office of the Company is situated of such an adjourned meeting which is held in accordance with this article.

#### **Chairperson at General Meetings**

143. The Chairman of the Board shall take the chair and conduct the Meeting. If the Chairman is not present within fifteen minutes after the time appointed for holding the Meeting, or if he is unwilling to act as Chairman of the Meeting, or if no Director has been so designated, the Directors present at the Meeting shall elect one of themselves to be the Chairman of the Meeting. If no Director is present within fifteen Minutes after the time appointed for holding the Meeting, or if no Director is willing to take the chair, the Members present shall elect, on a show of hands, one of themselves to be the Chairman of the Meeting, unless otherwise provided in the Articles.
144. The Chairman shall explain the objective and implications of the Resolutions before they are put to vote at the Meeting.
145. No business shall be discussed at any General Meeting except the election of a Chairperson, while the chair is vacant.
146. The Chairman shall not propose any Resolution in which he is deemed to be concerned or interested nor shall he conduct the proceedings for that item of business.

### **Adjournment of Meeting**

147. A duly convened Meeting shall not be adjourned unless circumstances so warrant. The Chairman may adjourn a Meeting with the consent of the Members, at which a Quorum is present, and shall adjourn a Meeting if so directed by the Members.
148. No Business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
149. If a Meeting is adjourned sine-die or for a period of thirty days or more, a Notice of the adjourned Meeting shall be given in accordance with the provisions contained hereinabove relating to Notice.
150. If a Meeting is adjourned for a period of less than thirty days, the company shall give not less than three days' Notice specifying the day, date, time and venue of the Meeting, to the Members either individually or by publishing an advertisement in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated, and in an English newspaper in English language, both having a wide circulation in that district.
151. If a Meeting, other than a requisitioned Meeting, stands adjourned for want of Quorum, the adjourned Meeting shall be held on the same day, in the next week at the same time and place or on such other day, not being a National Holiday, or at such other time and place as may be determined by the Board.
152. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or the business to be holding transacted at an adjourned meeting.
153. At an adjourned Meeting, only the unfinished business of the original Meeting shall be considered.

### **Voting Rights**

154. Every Member holding equity shares and, in certain cases as prescribed in second proviso to sub-section (2) of Section 47 of the Act, every Member holding preference shares, shall be entitled to vote on a Resolution. Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him.
155. No member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders 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.

156. Subject to any rights or restrictions for the time being attached to any class or classes of shares;

- i. on a show of hands, every member present in person shall have one vote; and
- ii. on a poll, the voting rights of members shall be in proportion to his shares in the paid-up equity share Capital of the Company.

157. In case of Joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the voted of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

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

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

160. No member shall be entitled to vote ay any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

161. 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.

162. If a poll is demanded as aforesaid, the same shall, be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or person who made the demand.

163. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **Chairman's Casting Vote**

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

## **Proxy**

165. A Member entitled to attend and vote is entitled to appoint a Proxy, or where that is allowed, one or more proxies, to attend and vote instead of himself and a Proxy need not be a Member. A Proxy can act on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying Voting Rights. However, a Member holding more than ten percent of the total share capital of the company carrying Voting Rights may appoint a single person as Proxy for his entire shareholding and such person shall not act as a Proxy for another person or shareholder. If a Proxy is appointed for more than fifty Members, he shall choose any fifty Members and confirm the same to the company before the commencement of specified period for inspection. In case, the Proxy fails to do so, the company shall consider only the first fifty proxies received as valid.
166. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote by a representative duly authorised in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represent as the body could exercise if it were an individual member.
167. The instrument appointing a proxy and the power –of – attorney or other authority, if any, under which it is signed or notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for taking of the poll; and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. If the Articles so provide, a Member who has not appointed a Proxy to attend and vote on his behalf at a Meeting may appoint a Proxy for any adjourned Meeting, not later than forty-eight hours before the time of such adjourned Meeting.
168. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the Common Seal of such corporate, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in terms of Section 105 of the Act.
169. A member present by proxy shall be entitled to vote only on a poll, except where Applicable Law provides otherwise.
170. The proxy so appointed shall not have any right to speak at the meeting.
171. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the

revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

172. An instrument appointing a Proxy shall be either in the Form specified in the Articles or in the Form set out in the Act.

173. An instrument of Proxy duly filled, stamped and signed, is valid only for the Meeting to which it relates including any adjournment thereof. An instrument of Proxy is valid only if it is properly stamped as per the applicable law. Unstamped or inadequately stamped Proxies or Proxies upon which the stamps have not been cancelled are invalid.

174. The Proxy-holder shall prove his identity at the time of attending the Meeting. An authorised representative of a body corporate or of the President of India or of the Governor of a State, holding shares in a company, may appoint a Proxy under his signature.

175. A Proxy form which does not state the name of the Proxy shall not be considered valid. Undated Proxy shall not be considered valid. If a company receives multiple Proxies for the same holdings of a Member, the Proxy which is dated last shall be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple Proxies shall be treated as invalid.

176. If a Proxy had been appointed for the original Meeting and such Meeting is adjourned, any Proxy given for the adjourned Meeting revokes the Proxy given for the original Meeting. A Proxy later in date revokes any Proxy/Proxies dated prior to such Proxy. A Proxy is valid until written notice of revocation has been received by the company before the commencement of the Meeting or adjourned Meeting, as the case may be.

177. When a Member appoints a Proxy and both the Member and Proxy attend the Meeting, the Proxy stands automatically revoked.

178. Requisitions, if any, for inspection of Proxies shall be received in writing from a Member entitled to vote on any Resolution at least three days before the commencement of the Meeting. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting. A fresh requisition, conforming to the above requirements, shall be given for inspection of Proxies in case the original Meeting is adjourned.

179. All Proxies received by the company shall be recorded chronologically in a register kept for that purpose. In case any Proxy entered in the register is rejected, the reasons therefore shall be entered in the remarks column.



**Maintenance of Records and Inspection of Minutes of General Meeting by Members**

180. Where permitted/required by the Act, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and rules made thereunder, such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term 'records' would mean any register, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made there under to be kept by the Company.
181. Minutes shall be recorded in books maintained for that purpose. A distinct Minutes Book shall be maintained for Meetings of the Members of the company, creditors and others as may be required under the Act. Minutes in electronic form shall be maintained with Timestamp.
182. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. Minutes of Meetings, if maintained in loose-leaf form, shall be bound periodically depending on the size and volume.
183. Any such minutes shall be evidence of the proceedings recorded therein and shall contain a fair and correct summary of the proceedings thereat.
184. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or non availability of that Chairman within that period, by a Director duly authorised by the Board for the purpose. The date of entry of the Minutes in the Minutes Book shall be recorded by the Company Secretary.
185. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
186. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:
- a) is or could reasonably be regarded as, defamatory of any person or
  - b) is irrelevant or immaterial to the proceeding, or
  - c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

187. The book containing the minutes of proceedings of General Meetings shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than 2 hours on any day, as may be fixed by the Board of Directors from time to time, to the inspection of any Member without charge.

188. Any Member of the Company shall be entitled to a copy of minutes of the General Meeting on receipt of a specific request and at a fee of Rs. 10/- (*rupees ten only*) for each page, or such higher amount as the Board may determine, as permissible by Applicable Law.

### **BOARD OF DIRECTORS**

189. The number of Directors of the Company which shall be not less than 3 (Three) and not more than 15 (Fifteen). However, the Company may appoint more than 15 Directors after passing a Special Resolution.

The composition of the Board shall be in accordance with the provisions of Section 149 of the Act and other Applicable Laws. Provided that where there are temporary gaps in meeting the requirements of Applicable Law pertaining to composition of Board of Directors, the remaining Directors shall (a) be entitled to transaction business for the purpose of attaining the required composition of the Board; and (b) be entitled to carry out such business as may be required in the best interest of the Company in the meantime.

#### **Board's Power to appoint Additional Directors**

190. Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Laws, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed by the Board by these Articles.

191. Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

#### **Nominee Directors**

192. The Company shall, subject to the provisions of the Act and these Articles, may appoint any person as a Director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

193. In the event of Company borrowing any money from any financial corporation or institution or Government or any Government body or a collaborator, bank, person or persons or from any other source, while any money remains due to them or any of them, the lender concerned may have

and may exercise the right and power to appoint, from time to time, any person or persons to be a Director or Directors of the Company.

194. A nominee Director may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointer and served on the Company. Such Director need not hold any qualification shares.

#### **Appointment of Alternate Directors**

195. Subject to the provisions of Section 161(2) of the Act, the Board may appoint an Alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act and Applicable Law. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the terms of office of the Original Director are determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director, and not to the Alternate Director.

For the purpose of absence in the Board meetings in terms of Section 167 (1) (b) of the Act, the period during which an Original Director has an Alternate Director appointed in his place, shall not be considered.

#### **Board’s power to fill Casual Vacancies**

196. Subject to the provisions of Sections 152(7), 161(4) and 169(7) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

197. 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 until the same day in the next week, at the same time and place in accordance with the provisions of Section 152(7) of the Act.

198. If at the adjourned meeting also, the vacancy caused by the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be so deemed to have been reappointed at the adjourned meeting, unless:

- i. at that meeting or at the previous meeting the resolution for the reappointment of such Director has been put to the meeting and lost;

- ii. the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed;
- iii. he is not qualified or is disqualified for appointment;
- iv. a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act;
- v. The provisions of Section 162 of the Act are applicable to the case.

### **Independent Directors**

199. The Company shall appoint such number of Independent Directors as required by the Act and other Applicable Laws and the Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Act.

200. Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act and Applicable Law, removal from Directorship pursuant to any court order or due to disqualification under Section 164 of Act shall be filled by following the process laid down in the Act and rules made thereunder. No such casual vacancy shall prejudice the functioning of the Board during the intervening period.

201. An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through board processes, and with his consent or connivance or where he had not acted diligently.

202. The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

### **Chairman & Managing Director**

203. The Managing Director, if any, may also be appointed by the Board as the Chairperson of the Company and may be designated as the Chairman and Managing Director of the Company.

### **Retirement and Rotation of Directors**

204. At least two-thirds 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 (hereinafter called "the Rotational Directors").

205. At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.

206. A retiring Director shall be eligible for re-election.

### **Resignation of Directors**

207. Subject to the provisions of the Act, a Director may resign from his office by giving a notice in writing to the Company and Board shall take note of the same.

Provided that the provisions regarding resignation of Managing Director or a Whole-time Director or any Executive Director who has any terms of employment with the Company shall be governed by such terms.

208. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.

### **Removal of Directors**

209. Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of Act.

### **Remuneration of Directors**

210. Subject to the provisions of Section 197 of the Act, a Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

**Provided** that where the Company takes a Directors' Liability Insurance, specifically pertaining to a particular Director, then the premium paid in respect of such insurance, for the period during which a Director has been proved guilty, will be treated as part of remuneration paid to such Directors.

211. Subject to the provisions of the Act and rules made thereunder, the fees payable to a Director for attending the meetings of the Board or Committee thereof shall be such sum as may be decided by the Board of Directors from time to time. Fee, as may be determined by the Board, may also be paid for attending any separate meeting of the Independent Directors of the Company in pursuance of any provision of the Act.

212. The Board may allow any payment to any director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of the

ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.

### **Directors may act notwithstanding any vacancies on Board**

213. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by Article 171 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to the minimum number fixed by the Article 176 hereof or for summoning a General Meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.

### **Vacation of office of Director**

214. The office of a Director shall ipso facto be vacated:

- i. on the happening of any of the events as specified in Section 167 of the Act;
- ii. in the case of Alternate Director, on return of the Original Director in terms of Section 161 of the Act;
- iii. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that Company;
- iv. if he is removed in pursuance of Section 169 of the Act;
- v. any other disqualification that the Act for the time being in force may prescribe.

### **Notice of candidature for office of Directors except in certain cases**

215. No person not being a retiring Director, shall 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 fourteen days before the meeting, left at the registered office of the Company a notice in writing under his signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office along with the requisite deposit of such sum as prescribed under the Act and rules made thereunder.

216. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

217. A person other than a Director reappointed after retirement by rotation immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company and the same is filed with the Registrar within thirty days of his appointment.

#### **Director may contract with the Company**

218. Subject to Applicable Law, a Director or any Related Party as defined in Section 2 (76) of the Act or other Applicable Law may enter into any contract with the Company for the sale, purchase or supply of any goods, materials, or services or other contract involving creation or transfer of resources, obligations or services, subject to the compliance with the Act and rules made thereunder and other Applicable Law.

219. Unless so required by the Act, no sanction shall, however, be necessary for any contracts with a related party or entered into on arm's length basis. Where a contract complies with such conditions or indication of arm's length contracts as lay down in the Act or in a policy, if any, on related party transactions framed by the Board, the contract shall be deemed to be a contract entered into an arm's length basis.

#### **Disclosure of Interest**

220. A Director of the Company who is in anyway, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 (2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into or to be entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds less than two percent of the shareholding in such other body corporate.

#### **Interested Director not to participate or vote in Board's proceeding**

221. Subject to the provisions of Section 184 of the Act, no Director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

**Provided** however, that nothing herein contained shall apply to:-

- (a) Any contract of indemnity against any loss which the Directors or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company.
- (b) Any contract or arrangement entered into or to be entered into with a public company in which the interest of the Director consists solely:
  - a. in his being:
    - i. A director in such company, and
    - ii. The holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company; OR
  - b. In his being a member holding not more than 2% of its paid-up share capital.

#### **Register of contracts in which Directors are interested**

222. The Company shall keep a register in accordance with Section 189 (1) of the Act and Applicable Law. The register shall be kept at the registered office of the Company and shall be preserved permanently be kept in the custody of the Company or any other person authorized by the Board for the purpose.

223. Such a register shall be open to inspection at such office, and extracts maybe taken therefrom and copies thereof may be provided to a member of the Company on his request, within seven days from the date on which such request is made and upon the payment of Rs. 10 (ten rupees) per page, as such higher amount as may be laid by the Board, as permitted by Applicable Law.

#### **Register of Directors and Key Managerial Personnel and their shareholding:**

224. The Company shall keep at its registered office a register containing the particulars of its Directors and key Managerial Personnel, which shall include the details of Securities held by each of them in the Company or its holding, subsidiary, subsidiary of Company's holding Company or associate companies in accordance to Section 170 of the Act and Applicable Law.

#### **Miscellaneous**

225. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts of 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.



## **Directors may be Directors of Companies promoted by the Company**

226. A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder, or otherwise and no such director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 188 of the Act may be applicable.

## **PROCEEDINGS OF THE BOARD**

### **Convening a Meeting**

227. The Directors may meet together as a Board from time to time for the conduct and dispatch of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit.

228. Any Director of a company may, at any time, summon a Meeting of the Board, and the Company Secretary or where there is no Company Secretary, any person authorised by the Board in this behalf, on the requisition of a Director, shall convene a Meeting of the Board, in consultation with the Chairman or in his absence, the Managing Director or in his absence, the Whole-time Director, where there is any, unless otherwise provided in the Articles.

229. The Chairman may, unless dissented to or objected by the majority of Directors present at a Meeting at which a Quorum is present, adjourn the Meeting for any reason, at any stage of the Meeting.

230. Every Meeting shall have a serial number. A Meeting may be convened at any time and place, on any day, excluding a National Holiday.

231. Any Director may participate through Electronic Mode in a Meeting, if the company provides such facility, unless the Act or any other law specifically does not allow such participation through Electronic Mode in respect of any item of business.

### **Notice**

232. Notice convening a Meeting shall be given at least seven days before the date of the Meeting, unless the Articles prescribe a longer period, to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by registered post or by courier or by facsimile or by e-mail or by any other electronic means.

In case the company sends the Notice by speed post or by registered post or by courier, an additional two days shall be added for the service of Notice.

233. Notice shall be issued by the Company Secretary or where there is no Company Secretary, any Director or any other person authorised by the Board for the purpose.

234. The Notice shall specify the serial number, day, date, time and full address of the venue of the Meeting. The Notice of a Meeting shall be given even if Meetings are held on pre-determined dates or at pre-determined intervals.

235. In case the facility of participation through Electronic Mode is being made available, the Notice shall inform the Directors about the availability of such facility, and provide them necessary information to avail such facility.

236. The Agenda, setting out the business to be transacted at the Meeting, and Notes on Agenda shall be given to the Directors at least seven days before the date of the Meeting, unless the Articles prescribe a longer period.

Any item not included in the Agenda may be taken up for consideration with the permission of the Chairman and with the consent of a majority of the Directors present in the Meeting, which shall include at least one Independent Director, if any.

237. Each item of business requiring approval at the Meeting shall be supported by a note setting out the details of the proposal, relevant material facts that enable the Directors to understand the meaning, scope and implications of the proposal and the nature of concern or interest, if any, of any Director in the proposal, which the Director had earlier disclosed. Each item of business to be taken up at the Meeting shall be serially numbered.

238. To transact urgent business, the Notice, Agenda and Notes on Agenda may be given at shorter period of time than stated above, if at least one Independent Director, if any, shall be present at such Meeting. If no Independent Director is present, decisions taken at such a Meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director, if any. In case the company does not have an Independent Director, the decisions shall be final only on ratification thereof by a majority of the Directors of the company, unless such decisions were approved at the Meeting itself by a majority of Directors of the company.

239. The company shall comply with the procedure for convening and conducting the Board Meetings through video conferencing or other audio visual means in the manner provided in the Act and the Rules thereunder.

#### **Shorter Notice**

240. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all Directors and shall be final only on ratification thereof by at least one Independent Director. Where the company does not have, for the time being, any Independent Director, a Board Meeting may be called at a shorter notice where such notice is approved by a majority of Directors present at such meeting.

### **Minimum number of Meetings of the Board**

241. The Board shall meet at least once in every calendar quarter, with a maximum interval of one hundred and twenty days between any two consecutive Meetings of the Board, such that at least four Meetings are held in each Calendar Year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

### **Meeting of the Committees**

242. Committees shall meet as often as necessary subject to the minimum number and frequency stipulated by the Board or as prescribed by any law or authority.

### **Meeting of Independent Directors**

243. Where a company is required to appoint Independent Directors under the Act, such Independent Directors shall meet at least once in a Calendar Year.

### **Attendance at Meetings**

244. Every company shall maintain separate attendance registers for the meetings of the board and meetings of the committee.

245. The attendance register shall contain the following particulars: serial number and date of the Meeting; in case of a Committee Meeting name of the Committee; place of the Meeting; time of the Meeting; names of the Directors and signature of each Director present; name and signature of the Company Secretary who is in attendance and also of persons attending the Meeting by invitation. The names of Directors who have participated in Board Meetings through Electronic Mode shall be entered and initialed by the Company Secretary, stating the manner in which the Director so participated.

246. Every Director, Company Secretary who is in attendance and every Invitee who attends a Meeting of the Board or Committee thereof shall sign the attendance register at that Meeting. Entries in the attendance register shall be authenticated by the Company Secretary or where there is no Company Secretary, by the Chairman by appending his signature to each page. The attendance register shall be kept in the custody of the Company Secretary.

247. The attendance register shall be maintained at the Registered Office of the company or such other place as may be approved by the Board. The attendance register is open for inspection by the Directors. The attendance register shall be preserved for a period of at least eight financial years and may be destroyed thereafter with the approval of the Board.

248. Leave of absence shall be granted to a Director only when a request for such leave has been received by the Company Secretary or by the Chairman.

### **When Meeting to be convened**

249. The Managing Director or a Director or a Secretary upon the requisition of Director(s), may at any time convene a meeting of the Directors.

### **Meetings of Board by Video/Audio-Visual conferencing**

250. Subject to the provisions of Section 173(2) of the Act and rules made thereunder, the Directors may participate in meetings of the Board by electronic mode as the Board may from time to time decide and Directors shall be allowed to participate from multiple locations through modern communication equipments for ascertaining the views of such Directors who have initiated their willingness to participate by such Electronic mode, as the case may be.

### **Regulation for Meeting through Electronic Mode**

251. The Board may, by way of a resolution passed at a Meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in the Board Meetings through Electronic Mode, as the case may be, in accordance to the provisions of 173(2) of the Act and Applicable Law. In case of a place other than such places where Company makes arrangement as above, the Chairman may decline the right of the Director to participate through Electronic Mode in view of concerns of security, sensitivity and confidentiality of Board proceedings. Where the Chairperson so permits a Director to participate in a place other than the Designated places where the Company has made the arrangement, the security and confidentiality of the Board proceedings shall be the responsibility of the Director so participating, and the cost and expense in such participation, where agreed to by the Chairperson, may be reimbursed by the Company.

252. Subject as aforesaid, the conduct of the Board Meeting where a Director participates through Electronic Mode shall be in the manner as laid down under the Act and Rules made thereunder.

### **Chairperson for Board Meetings**

253. The Board may elect a Chairperson and Vice Chairperson of the Company as it may deem fit and may also determine the period for which they are to hold Office. The Chairperson of the company shall be the Chairperson of the Board. If the company does not have a Chairperson or it at any Meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Vice Chairperson and in his absence, the Directors present may choose one of their numbers to be Chairperson of the Meeting.

254. The Chairman of the Board shall conduct the Meetings of the Board. If no Chairman is elected or if the Chairman is unable to attend the Meeting, the

Directors present at the Meeting shall elect one of themselves to chair and conduct the Meeting, unless otherwise provided in the Articles.

### **Quorum**

255. The Quorum for a Meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen minutes from the time appointed for holding a Meeting of the Board it shall be adjourned until such date and time as the Chairperson of the Board shall decide.

256. Quorum shall be present throughout the Meeting. Quorum shall be present not only at the time of commencement of the Meeting but also while transacting business.

257. The Quorum for a Meeting of the Board shall be one-third of the total strength of the Board, or two Directors, whichever is higher.

Where the number of Directors is reduced below the minimum fixed by the Articles, no business shall be transacted unless the number is first made up by the remaining Director(s) or through a general meeting.

258. The presence of all the members of any Committee constituted by the Board is necessary to form the Quorum for Meetings of such Committee unless otherwise stipulated in the Act or any other law or the Articles or by the Board.

259. A Director shall not be reckoned for Quorum in respect of an item in which he is interested and he shall not be present, whether physically or through Electronic Mode, during discussions and voting on such item.

260. Directors participating through Electronic Mode in a Meeting shall be counted for the purpose of Quorum, unless they are to be excluded for any items of business under the provisions of the Act or any other law.

261. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the Quorum fixed by the Act for a Meeting of the Board, the continuing Directors or Director may act for the purpose of the increasing the number of Directors to that fixed for the Quorum, or of summoning a General Meeting of the Company and for no other purpose.

### **Exercise of powers to be valid in Meetings where Quorum is present**

262. A Meeting of the Board of 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, or in accordance with Section 179(1) of the Act, the powers of the Company.

### **Matter to be decided on majority of votes.**

263. Save as otherwise expressly provided in the Act, questions arising at any Meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.

**Power to appoint Committee and to delegate powers**

264. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of its powers to committees consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any of its Committees or to any of its Officers as the Board may determine.

265. Any Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board.

266. The Meetings and the proceedings of 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, and are not superseded by any regulations made by the Board.

**Resolution without Board Meeting/Passing of Resolution by Circulation**

267. The Chairman of the Board or in his absence, the Managing Director or in his absence, the Whole-time Director and where there is none, any Director other than an Interested Director, shall decide, before the draft Resolution is circulated to all the Directors, whether the approval of the Board for a particular business shall be obtained by means of a Resolution by circulation.

Where not less than one-third of the total number of Directors for the time being require the Resolution under circulation to be decided at a Meeting, the Chairman shall put the Resolution for consideration at a Meeting of the Board.

268. A Resolution proposed to be passed by circulation shall be sent in draft, together with the necessary papers, individually to all the Directors including Interested Directors on the same day.

The draft of the Resolution to be passed and the necessary papers shall be circulated amongst the Directors by hand, or by speed post or by registered post or by courier, or by e-mail or by any other recognised electronic means.

Each business proposed to be passed by way of Resolution by circulation shall be explained by a note setting out the details of the proposal, relevant material facts that enable the Directors to understand the meaning, scope and implications of the proposal, the nature of concern or interest, if any, of any Director in the proposal, which the Director had earlier disclosed and the

draft of the Resolution proposed. The note shall also indicate how a Director shall signify assent or dissent to the Resolution proposed and the date by which the Director shall respond.

269. The Resolution is passed when it is approved by a majority of the Directors entitled to vote on the Resolution, unless not less than one-third of the total number of Directors for the time being requires the Resolution under circulation to be decided at a Meeting.

The Resolution, if passed, shall be deemed to have been passed on the last date specified for signifying assent or dissent by the Directors or the date on which assent from more than two-third of the Directors has been received, whichever is earlier, and shall be effective from that date, if no other effective date is specified in such Resolution.

270. Resolutions passed by circulation shall be noted at the next Meeting of the Board and the text thereof with dissent or abstention, if any, shall be recorded in the Minutes of such Meeting.

271. Passing of Resolution by circulation shall be considered valid as if it had been passed at a duly convened Meeting of the Board.

#### **Acts of Board/Committee valid notwithstanding Formal Appointment**

272. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment has been noticed by the Company to be invalid or to have been terminated.

#### **Minutes of Proceedings of Meeting of Board**

273. The Company shall cause minutes of proceedings of every meeting of the Board and Committee thereof to be kept in such form by making within thirty days of the conclusion of every such meeting, entries thereof in the books kept for that purpose with their pages consecutively numbered in accordance to Section 118 of the Act or Applicable Laws. A distinct Minutes Book shall be maintained for Meetings of the Board and each of its Committees.

274. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Any document, report or notes placed before the Board and referred to in the Minutes shall be identified by initialling of such document, report or notes by the Company Secretary or the Chairman.

Minutes, once signed by the Chairman, shall not be altered, save as mentioned in this Standard.

275. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise, if the minutes are kept in physical form. Minutes shall not be pasted or attached to the Minutes Book, or tampered with in any manner. Minutes of the Board Meetings, if maintained in loose-leaf form, shall be bound periodically depending on the size and volume and coinciding with one or more financial years of the company.

276. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. Minutes shall be written in clear, concise and plain language.

277. Minutes shall state, at the beginning the serial number and type of the Meeting, name of the company, day, date, venue and time of commencement and conclusion of the Meeting.

278. Where the meeting of the Board takes place through Electronic Mode, the minutes shall disclose the particulars of the Director who attended the meeting through such means. The draft minutes of the meeting shall be circulated among all the Directors within fifteen days of the meeting either in writing or in Electronic Mode as may be decided by the Board and /or in accordance with Applicable laws. Minutes may be maintained in electronic form in such manner as prescribed under the Act and as may be decided by the Board.

Minutes of all Meetings shall be preserved permanently in physical or in electronic form shall be maintained with Timestamp.

279. Minutes shall record the names of the Directors present physically or through Electronic Mode, the Company Secretary who is in attendance at the Meeting and Invitees, if any, including Invitees for specific items. Every Director who attended the meeting, whether personally or through electronic Mode, shall confirm or give his comments in writing, about the accuracy of recording of the particular meeting in the minutes, within seven days or some reasonable time as decided by the Board after receipt of the draft minutes failing which his approval shall be presumed.

280. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.

281. Where any earlier Resolution (s) or decision is superseded or modified, Minutes shall contain a reference to such earlier Resolution (s) or decision. Minutes of the preceding Meeting shall be noted at a Meeting of the Board held immediately following the date of entry of such Minutes in the Minutes Book.

282. The minutes shall also contain:



- i. The name of the Directors present at the meeting; and
  - ii. In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
283. Nothing contained hereinabove shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairperson of the Meeting:
- i. is or could reasonably be regarded as defamatory of any person.
  - ii. is irrelevant or immaterial to the proceedings; or
  - iii. is detrimental to the interest of the Company.
284. The Chairperson shall exercise an absolute discretion in regards to the inclusion or non- inclusion of any matter in the minutes on the grounds specified in this Article.
285. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
- Minutes of the Board Meeting shall be kept at the Registered Office of the company or at such other place as may be approved by the Board.
286. Any Director of the Company may requisition for Physical inspection of the Board Meeting minutes by giving a prior notice of seven days.
- Provided that the Director can requisition to inspect Board Meeting minutes only for the period that he is on the Board of the Company.
- Provided further that the physical inspection shall be done solely by the Director himself and not by his authorized representative or any power of attorney holder or agent.
287. Within fifteen days from the date of the conclusion of the Meeting of the Board or the Committee, the draft Minutes thereof shall be circulated by hand or by speed post or by registered post or by courier or by e-mail or by any other recognised electronic means to all the members of the Board or the Committee for their comments.

### **Powers of Board**

288. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act and Applicable law made there under, or any other Act, or by the Memorandum, or by these Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act and the rules made thereunder, or any other Act and to such regulations being not inconsistent

with the aforesaid regulations or provisions or provisions, as may be prescribed by the Company in general Meeting ; but no regulations made by the Company in General Meeting subject nevertheless to these Article, to the provisions of the Act and the rules made there under, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

289. The Board may subject to Section 185 & 186 of the Act and provisions of Applicable Law made there under shall by means of a resolution or where required, unanimous resolution passed at meeting of Board from time to time, invest, provide loans or guarantee or security on behalf of the Company to any person or entity.

#### **Restriction on Power of Board**

290. Board of Directors should exercise the following powers subject to the approval of Company by a Special Resolution:

- i. To sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
- ii. To invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- iii. To borrow money, where the money to be borrowed, together with the money already borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up Share Capital and Free-Reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.
- iv. To remit, or give time for the repayment of, any debt due from a Director.

#### **Contribution to Charitable and other funds**

291. The Board of Directors of a Company may contribute to bonafide charitable and other fund. A prior permission of the Company in General Meeting (Ordinary Resolution) shall be required for if the aggregate of such contributions in a financial year exceeds 5% (five percent) of its average net profits for the three immediately preceding financial years.

#### **Absolute powers of Board in certain cases**

292. Without prejudice to the general powers conferred by Section 179 (3) of the Act Applicable Laws made there under and the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Articles or the Applicable Law, it is hereby declared that the Directors shall have the following powers; that is to say, power:

- i. To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- ii. To act jointly and severally in all on any of the powers conferred on them.
- iii. To appoint and nominate any Person(s) to act as proxy for the purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association.
- iv. To comply with the provisions of Applicable Law which in their opinion shall, in the interest of the Company be necessary or expedient to comply with.
- v. Subjects to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- vi. Subject to the provisions of the Act and Applicable Laws, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in Shares, Bonds, Debentures, Mortgages, or other securities of the Company, and such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled Capital or not so charged;
- vii. To secure the fulfillment of any contracts or engagement entered into by the Company by Mortgage or charge of all or any of the property of the Company and its uncalled Capital for the Company being or in such manner as they may think fit;
- viii. To accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed;
- ix. To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular buy the issue of

- Debenture or Debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future).
- x. To open and deal with current account, overdraft accounts with any bank/banks for carrying on any business of the Company.
  - xi. To appoint any person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
  - xii. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company.
  - xiii. To refer any claims or demands or differences by or against the Company or to enter into any contract or agreement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same;
  - xiv. To make and give receipts, receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
  - xv. Subject to the provision of Section 179 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being share of the Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments, save as provided in section 187 of the Act, all investment shall be made and held in the Company's own name;
  - xvi. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provision, covenants, and agreement as shall be agreed upon;
  - xvii. To determine from time to time who shall be entitle to sign, on the Company's behalf, bills, notes, receipts, acceptance, endorsements, Cheques, Dividends, Warrant, releases, contracts and document and to give necessary authority for such purpose;
  - xviii. Subject to provision of applicable Law, to give a director ot any officer or any other person whether employed or not by the Company, Share or Shares in the profits of the Company, commission on the profit of

any particular business or transaction; and to charges such bonus or commission as part of the working expenses of the Company.

- xix. To provide for the welfare of Director or ex-Director or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of the houses, dwelling or by grant of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing and contributing to provident and other associations, institutions; funds or trust and by providing or subscribing or controlling towards places of instructions and recreations, hospitals and dispensaries, medical and other attendance and assistance as the Board shall think fit;
- xx. To subscribe or contribute or otherwise to assist to to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral and other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- xxi. Before recommending any Dividend, to set aside out of the profit of the Company such sums as they may think proper for depreciation or to depreciation Fund, or to an Insurance Fund, or as a Reserve fund, or Sinking Fund, or any special Fund to meet contingencies or to repay Debentures or Debentures stock, or for special Dividends or for equalized Dividend or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding Clause), as the Board may, in their absolute discretion, think conducive to the interest of the company, and subject to Section 179 of the Act, to invest the several sums to set aside or so much thereof as required to be invested from such Investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such Investment and dispose of and any apply and expand all or any part thereof for the benefit of the Company.
- xxii. To comply with the requirement of any local law which in their opinion it shall, in the interest of the Company, be necessary of expedient of comply with;
- xxiii. Subject to applicable provision of the Act and Applicable Law made there under, to appoint purchasing and selling agents for purchase and sale of Company's requirement and products respectively.
- xxiv. Subject to section 179 & 189 of the act from to time to time and at any time, delegate to any person so appointed any of the power, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorise the members for the time being of any vacancies, and any such appointment or delegation may be made on such terms

and subject to such conditions as the board may think fit, and the Board may at any time remove any person so appointed, and may annual or very such delegation.

- xxv. At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow money) and for such period and subject to such conditions as the Board may from time to time fit; and any such appointment may (if the Board thinks fit) be made in the favour of the members or any of the members of any local Board, established as aforesaid or in the favour of any Company, or the share holder, Directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- xxvi. Subject to Section 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may Consider expedient;
- xxvii. Subject to the provision of the Act, the Board may pay such remuneration to Chairperson/Vice-Chairperson of the Board upon such condition as they may think fit.
- xxviii. To take insurance of any or all properties of the Company and any or all the employees and their dependants against any or all risks.
- xxix. To take Insurance on behalf of its Managing Director, Whole time Director, Managers, Chief Executive Officer, Chief Financial Officer or Company Secretary or any Officer or employee of the Company for indemnifying any of them against any liability in respect of negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

### **Disclosure**

293. The Annual Report and Annual Return of a company shall disclose the number and dates of Meetings of the Board and Committees held during the financial year indicating the number of Meetings attended by each Director.

### **MANAGING DIRECTOR/ WHOLE-TIME DIRECTOR**

### **Board may appoint Managing Director/(s)**

294. Subject to the provision of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member of members as Managing Directors(s)/Whole Time Directors of the Company for fixed term not exceeding five years at a time and upon such terms and condition as the Board thinks fit and subject to the provision of these Articles the Board may by resolution vest in such Managing Director(s)/Whole-Time director(s) such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such condition and subject to such restrictions as it may determined.

295. Subject to the Article above, the powers conferred on the Managing Director/Whole Time director shall be exercised for such object and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of 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.

### **Restriction on Management**

296. The Board of Directors may, subject to Section 179 of the Act, entrust to and upon confer upon a Managing or Whole Time Director any of the power exercisable by them, upon such terms and condition and with such restriction, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

### **Remuneration to Managing Directors/Whole-time Directors**

297. A Managing or Whole time director may be paid such remuneration, whether by way of monthly payment, fee for each meeting or at a specified percentage of the net profits of the Company, or by any of all these modes, or any other mode not expressly prohibited by the Act, as the Board of Directors may determine.

### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

298. (i) Subject to the provision of the Act and rules made there under, the Board may appoint a Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer, at such remuneration and upon such condition as it may thinks fit, and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the Board.

(ii) A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

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

### **POWER TO AUTHENTICATE DOCUMENT**

300. Any Director or the Company Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any document affecting the Constitution of the Company and any books, records, documents and accounts relating to the business of the Company and to certify copies or extracts thereof, and where any books, records documents or accounts are then, at the office, the local manager or other officer of the company having custody thereof, shall be deemed to be a person appointed by the Board as aforesaid.

301. Document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of last preceding article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed for, as the case may be that extract is through an accurate records of a duly constituted meeting of Directors.

### **THE SEAL**

302. The Board shall provide for the safe custody of the seal.

303. The seal of the Company shall not be affixed to any instrument except by the authority of the resolution of the Board or of the Committee of the Board by it in that behalf, and except in the presence of atleast two Directors and of the Secretary or such other person as the board may appoint for the purpose; and those two Directors and the Secretary or other person shall sign every instrument to which the seal of the Company is so affixed in their presence.

### **DIVIDENDS AND RESERVES**

#### **Division of profits**

304. The profits of the Company, subject to any special rights as to Dividends or authorized to be created by these articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.

#### **The Company in General Meeting may declare a Dividend**

305. The Company in general meeting may declare Dividends to be paid to members according to their respective rights, but no Dividend shall exceed the



amount recommended by the Board; the Company in general meeting may, however declare a smaller dividend. No Dividend shall bear interest against the Company.

### **Dividend only to be paid out of Profits**

306. The Dividend can be declared and paid only out of the following:

- i. out of the profits of the Company for that year arrived at after providing for Depreciation in accordance with the provisions of sub-section (2), or out of the profits of the Company for any previous Financial Year or Years arrived at after providing for Depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
- ii. out of the money provided by Central or a State Government for payment of Dividend by the Company in pursuance of a guarantee given by that Government:

**Provided** that a Company may, before the declaration of any Dividend in any Financial Year, transfer such percentage of its profit for that Financial Year as it may consider appropriate to the Reserves of the Company:

**Provided further** that where, owing to inadequacy or absence of profits in any Financial Year, any Company proposes to declare Dividend out of the accumulated profits earned by it in previous year and transferred by the Company to the Reserves, such declaration of Dividend shall not be made except in accordance with such rules as may be prescribed in this behalf:

**Provided also** that no Dividend shall be declared or paid by a Company from its Reserves other than free reserves.

### **Transfer to Reserve**

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

308. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

### **Interim Dividend**

309. Subject to the provisions of Section 123(2) and Applicable Law, the Board may from time to time pay to the Members such interim Dividends as appear to it to be justified by the profits of the Company.

**Calls in advance not to carry rights to participate in Profits**

310. Subject to the rights of persons, if any, entitled to share 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.

311. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.

312. All Dividend 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.

**Deduction of money owed by the Company.**

313. 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.

**Rights to Dividend where Shares transferred.**

314. A transfer of share shall not pass the right to any Dividend declared thereon before the registration of the transfer.

**Dividend to be kept in abeyance.**

315. The Board may retain the Dividends payable in relation to such Shares in respect of which any person is entitled to become a member by virtue of transmission or transfer of Shares and in accordance with sub-section (5) of Section 123 of the Act or Applicable Law. The Board may also retain Dividends on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.

**Notice of Dividend.**

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

**Manner of paying Dividend.**

317. Any Dividend, interest or other monies payable in cash in respect of shares may be paid by way of cheque or warrant sent through the post directed to the registered address of the holder or, in case of joint holders, to the registered address of that one of the joint holder who is first named on the

register of members, or to such person and to such address as the holder or joint holders may in writing direct.

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

### **Receipts for Dividends**

319. Any one of two or more joint holders of a share may give effective receipts for any Dividends, bonuses or other monies payable in respect of such share.

### **Non-Forfeiture of unclaimed Dividend**

320. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provisions of the Act in respect of all unclaimed or unpaid Dividends.

## **ACCOUNTS**

### **Directors to keep true accounts**

321. Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting:

**Provided** that all or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place:

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

322. Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-section (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarised returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-section (1).

323. The books of account and other books and papers maintained by the company within India shall be open for inspection at the registered office of

the company or at such other place in India by any director during business hours, and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any director subject to such conditions as may be prescribed:

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

324. Where an inspection is made under sub-section (3), the officers and other employees of the company shall give to the person making such inspection all assistance in connection with the inspection which the company may reasonably be expected to give.

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

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

### **Preparation of revised Financial statements or Boards Report**

326. Subject to the provisions of Section 131 (to be effective on notification) of the Act and the Applicable Law made thereunder, the Board may require the preparation of revised financial statement of the Company or a revised Boards Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the company or (b) the report of the Board do not comply with the provisions of section 129 or Section 134 of the act.

### **Place of keeping Accounts**

327. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.

328. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

## **AUDIT**

### **Auditors to be appointed**

329. Statutory Auditors and cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sectors 139 to 148 of the act and Applicable Laws. Where applicable, a Secretarial auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.

330. Subject to the provisions of Section 139 of the act and rules made thereunder, the statutory Auditors of the Company shall be appointed for a term of consecutive years (in case Auditor is an Individual) or two terms of five consecutive years (in case Auditor is an Audit Firm) as the case may be subject to ratification by members at every annual general meeting.

**Provided** that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board in accordance with Section 140 of the Act or Applicable Laws.

### **Remuneration of Auditors**

331. The remuneration of the Auditors shall be fixed by the company in Annual general meeting or in such manner as the company in general meeting may determine.

### **SERVICE OF DOCUMENTS**

332. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed:

**Provided** that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

333. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed:

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

### **Admissibility of micro films, computer prints and documents to be treated as documents and evidence**

334. Any information in the form of a micro film of a document or image or a facsimile copy or any statement in a document included in a printed material

produced by a computer shall be deemed to be a document and shall be admissible in any proceedings without further production of original, provided the conditions referred in Section 397 are complied with.

335. All provisions of the Information Act, 2000 relating to the electronic records, including the manner and format in which the electronic record shall be filed, in so far as they are consistent with the Act, shall apply to the records in electronic form under Section 398 of the Act.

### **WINDING UP**

336. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

- i. If the Company shall be wound up, the liquidator may, with the sanction of special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **INDEMNITY**

337. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

### **SECRECY**

338. Every manager, Auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon then duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide 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 to do so by the directors or by any general meeting or by the law of the country and

except so far as may be necessary in order to comply with any of the provisions in these presents and the provisions of the Act.

339. Subject to the provisions of these Articles and the Act, no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or to examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading 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 Directors it will be expedient in the interest of the Company to communicate.

#### **TRANSITORY PROVISION**

340. These Articles are in accordance with the Companies Act, 2013 and Rules made thereunder. They accordingly incorporate and refer to the provisions, Sections and Rules of the said Act and Rules made thereunder. In the event any provisions and sections of Companies Act, 1956 shall be deemed to have been included and incorporated herein until the said provisions of Companies Act, 2013 become effective.

We, the several persons, whose names and addresses are subscribed hereunder are desirous of being formed into a company in these Articles of Association and we respectively agree to take the number of shares in the share capital of the company set opposite our respective names.

Names, Addresses Description and Occupation of the subscribers.	Number of the equity shares taken by each Subscribers	Signature of the Subscribers	Signature of witnesses with addresses and Occupations.
Ramesh C. Jagtiani S/o. Chandiram Jagtiani 15, Two Roses, 5, Pali Road, Bandra, Bombay-400 050. Chartered Accountant	1 (One)	Sd./-	Sd/- Taizoon M. Khumri S/o. Mohammed A. Khumri <b>T. M. KHUMRI &amp; CO.</b> COMPANY SECRETARIES 17, Raghunath Dadaji Street, Fort, Bombay-400 001.
Chaitanya S. Modv S/o. Shamaldas P. Modv "Catch Castle" Derasar Lane, Ghatkopar, Bombay-400 077. Cost Accountant	1 (One)	Sd./-	
T. C. Sadasivan Nair S/o. K. G. Sankara Pillai. Type II, Building III, 69, Telecom Colony, Devnar, Bombay-4 0 088. Service	1 (One)	Sd./-	
Anjali Narayan Parab D/o. Narayan V. Parab, 13/649, Prajakata Co. op., Housing Society Kher Nagar, Bandra, Bombay-400 051. Service	1 (One)	Sd./-	
Pankaj C. Shah S/o. Chandulal M. Shah A-34, Aarti, Old Nagardas Road, Andheri (East), Bombay-400 069. Business	1 (One)	Sd./-	
Dattaram Bhikaji Dabholkar S/o. Bhikaji Dabholkar Chawl No. 106/2, Sewry, Koliwada, Bombay-400 015. Service	1 (One)	Sd./-	
Bhagwanji Kandubhai Joshi, S/o. Khandubhai P. Joshi, 19, Ratan Terrace, T. H. Kataria Marg, Mahim, Bombay-400 016. Service	1 (One)	Sd./-	
	7 (Seven)		

Bombay, Dated 8th March, 1984.



**BEFORE THE COMPANY LAW BOARD,  
WESTERN REGION BENCH,  
BOMBAY.**

Company Petition No. 78(17)CLB/WR of 1987

Present : 1) Shri S. Kumar, Member  
2) Shri L. D. Venkataraman, Member

In the matter of the Companies Act, 1956 (1 of 1956) Sec. 17

AND

In the matter of Messrs Sanjay Leasing Limited

AND

In the matter of Messrs Sanjay Leasing Limited  
having its Registered Office at 810, Raheja Centre  
Nariman Point, Bombay-400 021. } ...Petitioner

**ORDER CONFIRMING ALTERATION**

1. This is a petition by the Company named above to the Company Law Board, Western Region Bench under section 17 of the Companies Act, 1956 and was admitted as Petition No. 78(17)CLB/WR of the year 1987. This Petition came up for final hearing and disposal before this Bench on 20-7-1987.
  
2. It is stated in the petition that the company is at present empowered to carry on the business of hire purchase finance and leasing in the field of all industrial, household, office, plant equipment and machineries etc. and that by a special resolution of the company duly passed in accordance with Section 189 of the Companies Act, 1956 at the Extra Ordinary General Meeting of the company held on the 30-12-1986 after due notice as provided in the said Act, it was resolved to alter the provisions of its Memorandum of Association with respect to the objects of the company so as to insert therein new sub clause No. 1A immediately after the existing sub clause No. 1 in part A under the main clause No. III so as to enable the company to carry on the business of manufacturing, buying, selling, exchanging or dealing in cables of aluminium and copper coated with PVC, XLPE etc. it has been prayed that the alteration in the object clause of the Memorandum of Association of the company sought for in the petition be confirmed.

3. A notice of this petition was served on the Registrar of Companies, Maharashtra who has not raised any objection to the proposed alteration in the Memorandum of Association of the company being allowed by this Bench. This Bench has not received any representation against this petition from anyone else.

4. Shri T. M. Khumri, practising Company Secretary and Authorised Representative for the petitioner Company reiterated the submissions made in the petition and urged this Bench to allow the petition. Shri D. R. Gharote, Company prosecutor Grade I appeared on behalf of the Registrar of Companies, Maharashtra.

5. The points arising for determination are whether the alteration of the object clause as prayed for in the petition is in accordance with the provisions of sub-section (1) of Section 17 of the Companies Act, 1956 and whether the said alteration is in the interest of the company having regard to the rights and interest of the members and creditors of the company.

6. These points have been considered by us in the light of the submissions made in the petitions and orally by the Authorised Representative of the petitioner company as also the submission made by the Registrar of Companies, Maharashtra and having considered the same the proposed alteration of the Memorandum of Association of the company is confirmed as set out in para 9 below.

7. This Bench is satisfied that with respect to every creditor entitled to object and objecting to the alteration either his consent to the alternation has been obtained or his debt or claim has been discharged or determined or been duly secured.

8. This Bench is also satisfied that having regard to the rights and interests of the members of the company (and of every class of them) as well as to the rights and interests of the creditors of the company (and of every class of them) it is meet and proper that this petition should be allowed subject to the conditions as agreed to by the Authorised Representative of the company that in the proposed sub clause the words "for control signale, heat resistance, PVC Mining, welding, trailing, shipwiring, self supporting and air

craft cables" at the end shall be deleted. Further that the name of the company shall be charged suitably.

THIS BENCH DOTH THEREFORE HEREBY ORDER :

9. That the alteration in the Memorandum of Association of the said company proposed by the Special Resolution of the abovenamed company passed in accordance with Section 189 at an Extra Ordinary General Meeting of the said company held on the 30-12-1986 (which special resolution duly amended in the light of the conditions mentioned in para 8 supra is set forth in Schedule I hereto) be and the same is hereby confirmed.

SCHEDULE I

"RESOLVED THAT subject to the confirmation of the Company Law Board as required under Section 17 of the Companies Act, 1956 object clause III(A) of the Memorandum of Association of the Company be and is hereby altered by addition thereto the following sub-clause 1A after existing sub-clause 1.

1A. To carry on the business of manufacturing, buying, selling, exchanging, converting, distributing, altering, importing, exporting or otherwise handling or dealing in cables of aluminium and copper coated with PVC, XLPE teflon, glass fibres, asbestos VIR papers and other specialised cables."

Sd/-  
(L. D. VENKATARAMAN)  
Member

Sd/-  
(S. KUMAR)  
Member

Dated this the 22nd day of July, 1987.