

CO. NO. 4084

*Fresh Certificate of Incorporation Consequent  
on Change of Name*

In the Office of the Registrar of Companies DELHI & HARYANA  
[Under the Companies Act, 1956 (1 of 1956)]

**IN THE MATTER OF SHAMA PISTONS & RINGS LIMITED**

I hereby certify that SHAMA PISTONS & RINGS LIMITED, which was originally incorporated on 9th day of December 1963, under the Companies Act, 1956 and under the name SHAMA PISTONS & RINGS LIMITED, having duly passed the necessary resolution in terms of section 21 of the Companies Act, 1956, and the approval of the Central Government signified in writing having been accorded there to in the Ministry of Company Affairs, Regional Director, Kanpur letter No. 1144-D/5442 dated 19.10.1972, the name of the said company is this day changed to SHRIRAM PISTONS & RINGS LIMITED and this certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at New Delhi this 25th day of October 1972  
(One thousand nine hundred seventy two).

Seal of the  
Registrar of Companies  
Delhi.

Sd./-  
(R. P. KHANDPUR)  
Asstt. Registrar of  
Companies  
Delhi & Haryana

## *Certificate of Commencement of Business*

**Pursuant of section 149(3) of the Companies Act, 1956.**

I hereby certify that the SHAMA PISTONS & RINGS LIMITED, which was incorporated under the Companies Act 1956, on the NINTH day of DECEMBER 1963, and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at New Delhi this TWENTY SIXTH day of AUGUST  
One thousand nine hundred and SIXTY FOUR.

Seal of the  
Registrar of Companies  
Delhi.

Sd./-  
(P. S. MATHUR)  
Asstt. Registrar of  
Companies, Delhi

**MEMORANDUM OF ASSOCIATION  
OF  
SHRIRAM PISTONS AND RINGS LIMITED**

- I. The name of the Company is 'SHRIRAM\* PISTONS & RINGS LIMITED'.
- II. The Registered Office of the Company will be situated in the Union Territory of Delhi.
- III. The objects for which the Company is established are:
- (1)\*\* To carry on the business of designing, manufacturing, developing, improving, hiring, buying, selling and dealing in Pistons, Piston Rings, Piston Pins and all types of Pins, Piston Assemblies, Cylinder Liners, Valve Guides, thin and thick Wall Engine Bearings, Valves and Valve Tappets, Cylinder Blocks, Cylinder Heads, Gaskets, Hydro Dynamic Oil Seals, Dies, Cams, Jigs, Toolings, Fixtures, Flywheel, Rings Gears, Gears Shifter Forks, Yorks, Connecting Rod, Transmission Gears, Pivot Arm, Torque Link, Bell, Arm Knuckle, Steering Knuckle, Gear Pinion, Case Components, Bearing Plates, Gears of all types including in particular Spiral Bevel, Crown Wheel and Pinion and Spites Kit Assembly, Straight Bevel, Spur and helical and work gears, gears box, winches speed drivers, reduction gear boxes, power take offs, and all other components for all types of vehicles and engines including internal combustion engines operated by any type of fuel and/ or gases including steam, compressors, pumps and any other machine whatsoever and also to carry on the business of engineers, whether general, consulting, mechanical, electrical and structural, marine or otherwise, general contractors, importers and exporters and dealers in plant and machinery articles, property and things of all kinds including ores, metals and hardware.
  - (2) To carry on the business or business of manufacturers, importers and exporters of and dealers in ferrous and non-ferrous castings of all kinds and, in particular chilled and malleable castings, special alloy castings, steel castings, gun metal, copper, brass and aluminium and all types of castings by any Process and foundry work of all kinds.
  - (3) To carry on the business of manufacturers and dealers in all types of castings, cylinder heads for internal combustion engines, rods and electrodes for welding and brazing, storage and chemical handling equipment, gasoline and oil tanks, screw machine parts and free machining stock, power shovel bails, aircraft fitting and structure and control parts, airplanes propellers, radial engine crank cases, aircraft fuel and oil liners, fuel tanks, miscellaneous naval marine and transportation applications, petroleum refining equipment, aircraft landing mats, cable sheathing, pontoon boats and canoes, valve bodies etc. and all types of thermal insulators.
  - (4) To carry on the business of manufacturers, dealers, importers and exporters and designers of all types of pressure casting extruded and spun equipment articles, parts etc., all types of parts for machines, automobile and all type of industries, beer barrels, furniture, ornamental grills for decorative purposes, miscellaneous thin and intricate castings, castings required for pressure tightness, washing machines, agitators, bushings and bearings, tapet guide clusters, pulleys, sheaves, flywheel and gear axle, housing compressor, connecting rods, bus and aircraft wheels, fuel pump bodies, typewriter frames and parts, piano plates, water jackets, liquid, aircooled cylinder heads and blocks and all types of goods which can be manufactured by any and all types of castings by various processes.
  - (5) To carry on all or any of the business of importers and manufacturers and dealers in all types of spanners, wrenches, pliers, hand-tools, nuts, bolts, screws, automate machineable materials, dies, tools, jigs, fixtures, electronic and mechanical instruments, goods and equipments and allied products and to act either as principals or agents in or about the Company's business or for any of the above purposes and to carry on the business of manufacturers of and dealers in all types of nails and studs, screws, eyelets, hardware and other allied products.
  - (6) To carry on the business or businesses of manufactures, importers and exporters of and dealers in forgings, press structural and rolling works of all kinds, and, in particular, (i) bolts and nuts, rivets,

Note: \* *The change in the name of the Company has been made vide a resolution in Extra Ordinary General Meeting dated 15-7-1972 and a fresh certificate of incorporation under Section 23(1) of the Companies Act, 1956 has been issued by the Registrar of Companies, Delhi on 25-10-1972.*

\*\* *Sub-clause I of Clause III has been amended by a Special Resolution through Postal Ballot, the result for which of declared in the Annual General Meeting dated 23.6.2004.*

- washers hinges, hook bolts, tower bolts, dogspikes, signalling materials and railway carriage and wagon fittings and die and press work of all kinds; (ii) rods, bars, wires, sheets, foils and all kinds of ferrous and non-ferrous rolling works; (iii) mill, factory and colliery requisites of all kinds; (iv) gates and rollings, collapsible gates and grills, stairs, columns, truses, metal doors and windows and other building materials, pipes, tubes and other sections.
- (7) To carry on the business of iron masters, iron founders, mechanical and electrical engineers, steel makers, steel converters, tin plate makers, manufacturers of agricultural implements and all kinds of machineries and tools, brass founders, metal workers, boiler makers, metallurgists and wood workers.
  - (8) To manufacture, import, export, buy, sell, let on hire, exchange, alter, improve, manipulate, prepare for market and/or otherwise deal in or distribute all kinds of plants, machineries, machines parts, tools apparatus, utensils, chemicals, raw materials and substance necessary or convenient for carrying on any business or any other marketable commodities whatsoever.
  - (9) To import, export and transport all kinds of produce, articles and merchandise, and also to carry on the business of engineers, contractors, builders, fitters, founders, wire drawers, galvanisers, enamellers, electroplaters, and also the business of brokers, agents, factors, financiers and shippers and to establish branches at places in or outside India as the Company may think fit.
  - (10) To carry on business as machinists, iron and steel converters, smiths, wood-workers, builders, painters, metallurgists, gas-makers, printers, carriers, merchants and any business relating to winning and working of minerals, the production, manufacture and preparation of any other materials which may be usefully or conveniently combined with the engineering and manufacturing business of the company or any contract undertaken by the Company and either for the purpose only of such contracts or as an independent business.
  - (11) To undertake and execute any contracts for works involving the supply or use of any machinery or other material or articles and to carry out any ancillary or other works comprised in such contracts.
  - (12) To acquire, construct, carry out, equip, maintain, alter, improve, develop, manage, work, control and superintend any electric light and gas-works and power-plant, telegraphs and telephones and any hats (shops), markets, reservoirs, water-works, tanks, bridges, coolie lines and houses and bustes (constructions) villages, roads, ways, tramways, railways, bridges, canals, reservoirs, aqueducts, water-courses, dykes, drains, wharfs, dyeworks, furnaces, crushing works, hydraulic works, workshops, factories, warehouses, sheds, dwellings, offices, shops, stores, buildings and other works and conveniences which may seem directly or indirectly conducive to any of the objects of the Company and to contribute to, subsidies or otherwise aid by taking part in any such operations.
  - (13) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plant, machinery, tools utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers of or persons having dealings with the Company or commonly dealt in by person engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and bye-products incidental to or obtained from any of the business carried on by the Company.
  - (14) To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire any movable or immovable property and any rights or privileges which the Company may think necessary or expedient for the purposes of its business and in particular any estate or interest whatsoever and to hold, develop, work, cultivate, deal with and turn to account concessions, grants, decrees, licenses, privileges, claims, options, leases, property, real or personal or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company and to purchase, charter, hire, build or otherwise acquire vehicles of any or every sort or description for use under land or water or in the air and to employ the same in the carriage of merchandise of all kinds, or passengers and to carry on the business of owners of trucks, trams, lorries, motor cars and of ship-owners and lightermen and owners of aircrafts in all or any of their respective branches.

- (15) To carry on the business of manufacturers and dealers in A.C.S.R. conductors, A.S.R. conductors, bare copper or aluminium conductors or any other conductor, P.V.C. and rubber coated wires of all kinds and for all purposes and lightening arrester, lightening conductors and reflectors for light and other radiant energy.
- (16) To purchase, take on hire or lease or otherwise acquire and work spinning mills, weaving mills, grinding factories, paper mills, oil mills, rice mills, tea gardens, coffee gardens, sugar mills, flour mills, saw mills, cement factories, distilleries, engineering concerns, mining and other factories or mills or concerns of whatsoever nature and property and treasures and goodwill appertaining thereto.
- (17) To sell, sublet, exchange, mortgage, let on lease, royalty or tribute, grant licenses, easements, options and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights, concessions, licenses, contracts and effects of the Company or any part thereof for such consideration as may be thought fit and in particular for stocks, shares whether fully or partly paid up or securities of any other Company.
- (18) To advance, deposit with and lend money, securities and property to or receive loans or grants or deposits from the Government.
- (19) To lend money, either with or without security, and generally to such persons and upon such terms and conditions as the Company may think fit.
- (20) To undertake financial and commercial obligations, transactions and operations of all kinds.
- (21) To guarantee the performance of the obligations of and the payment of dividends and interest on any stock, shares of securities of any Company, corporation, firm or person in any case in which such guarantee may be considered likely directly or indirectly to further the objects of the Company or the interests of its shareholders.
- (22) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stocks, contracts, mortgages, charges, obligations instruments, and securities of any Company or of any authority, supreme, municipal, local or otherwise or of any persons whomsoever, whether incorporated, or not incorporated, and generally to guarantee or become sureties for the performances of any contracts or obligations.
- (23) To subscribe for, absolutely or conditionally, purchase or otherwise acquire and to hold, dispose of and deal in shares, stocks and securities or obligations of any other Company whether Indian or Foreign.
- (24) To invest any moneys of the Company not for the time being required for any of the purposes of the company in such investments (other than shares or stock in the Company) as may be thought proper and to hold, sell or otherwise deal with such investments.
- (25) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital and to purchase, redeem and pay off any such securities for the purpose of financing the business of the Company.
- (26) To receive money on deposit or loan upon such terms as the Company may approve for the purpose of financing the business of the Company.
- (27) To draw, make, accept, discount, execute and issue Bills of Exchange, Government of India and other promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments or securities.
- (28) To apply for, purchase or otherwise acquire and protect, prolong and renew whether in India or elsewhere, any patents, patent rights, brevets, invention, trade marks, designs, licenses, protections, concessions and the like conferring any exclusive or non-exclusive or limited right or sanction of any type, including the right to use any secret or other information as to any invention, process or privilege and to pay for same in cash, shares or otherwise and to use, exercise, develop, manufacture under or grant licenses or privileges in respect of or otherwise turn to account the property, rights and information so acquired and to carry on business in any way connected therewith.

- (29) To expend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.
- (30) To establish, provide, maintain and conduct research and other laboratories, training colleges, schools and other institutions for the training, education and instructions of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings, and conferences in connection therewith.
- (31) To acquire and undertake all or any part of the business, property and liabilities of any person or Company carrying on any business which this Company is authorised to carry on or to take possession of property suitable for the purpose of the Company or to amalgamate with any other Company.
- (32) To take part in the management, supervision or control of the business or operation of any company or undertaking and to act as Managing Agents, Managers or Secretaries thereof and for the purpose to appoint and remunerate any Directors, Accountants or other experts or agents and to carry on the business of Commission Agents, Selling Agents, Distributors and Representatives of the Company.
- (33) To procure the registration or incorporation or recognition of the company in or under the laws of any place outside India.
- (34) To form, incorporate or promote any company or companies, whether in India or elsewhere, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the Company or any other objects or object which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for service rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscription of or the placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of any other company held or owned by the Company or in which the Company may have an interest or in or about the formation or promotion of the Company or the conduct of its business or in or about the promotion or formation of any other Company in which the Company may have an interest and to pay all or any of the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company or any other company held or owned by the company or in which the Company may have an interest.
- (35) To enter into partnership or into any arrangement for sharing profits or into any union of interest, joint-venture, reciprocal concession or cooperation with any person or persons or company or companies carrying on, engaged in, or about to carry on or engage in, or being authorised to carry on or engage in, any business or transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.
- (36) To enter into any arrangements and to take all necessary or proper steps with Government or with other authorities imperial, supreme, national, local, municipal, or otherwise of any place in which the Company may have interest and to carry on any negotiations of operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the Company or furthering the interest of its members and to oppose any such steps taken by any other company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members and to promote or assist the promotion, whether directly or indirectly, any legislation which may appear to be in the interests of the Company and to resist, whether directly or indirectly, any legislation which may seem disadvantageous to the Company and to obtain from any such Government, authority or any company any charters, contracts, decrees, rights, grants, loans, privileges or concessions which, the Company may think it desirable to obtain and carry-out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges or concessions.

- (37) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations and otherwise.
- (38) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.
- (39) To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce generally and particularly with the trade, including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire, accidents, otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependents and whether or not in common with other persons or classes of persons and in particular of friendly, cooperative and other societies, reading rooms, libraries, educational and charitable institutions, refectories, dining and recreation rooms, temples, churches, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscriptions for any purpose whatsoever.
- (40) To aid, pecuniarily or otherwise, any association, body or movement having for its object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (41) To make donations to such persons or institutions and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and to subscribe, contribute, or otherwise assist or guarantee money for charitable, scientific, literary, religious or benevolent, national, public or political or other institution or objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and convenience for the benefit of the employees or of persons having dealing with the Company or the dependents, relatives or connections of such persons and in particular for friendly or other benefit societies and to grant pensions, allowances, gratuities and bonuses either by way of annual payments or a lumpsum and to make payments towards insurance and to form and contribute to provident and benefit funds of or for such persons.
- (42) To subscribe or guarantee money for any national, charitable, benevolent, political, public, general or useful object or for any exhibition.
- (43) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or have been Directors of or who are or have been employed by or who are serving or have served the Company or any company which is a subsidiary or associate of the Company or its predecessors in business or the dependents or connections of such persons and to grant pensions and allowances and to make payment towards insurance.
- (44) To refer or agree to refer any claims, demands, disputes or any other questions, by or against the Company, or in which the Company is interested or concerned, and whether between the Company and any member or members or his or their representatives or between the Company and any third party, the arbitration in India or at any place outside India and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
- (45) To distribute all or any of the property of the Company among the members in specie or kind subject to Section 205 of the Company Act, 1956.
- (46) To acquire, improve, manage, work, develop, exercise all rights in respects of leases and mortgages, and to sell, dispose of leases and mortgages, and to sell, dispose of, turn to account and otherwise deal with, property of all kinds and in particular, land, buildings, concessions, patents, business concerns and undertakings.

The aforesaid objects of the Company extend to the territories of all the States and the Union Territories of the Union of India and in so far as the objects relating to the trading activities of the Company are concerned, they extend to all the foreign countries also.

Provided that nothing herein contained shall be deemed to empower the Company to carry on the business of banking.

And it is hereby declared that the word "Company" save when used in reference to this Company, in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, whether domiciled in India or elsewhere.

IV. The liability of the members is limited.

V\* The Authorised Share Capital of the Company is Rs. 82,50,00,000 (Rupees Eighty Two Crore Fifty Lac only), divided into 5,25,00,000 (Five Crore Twenty Five Lac) Equity Shares of Rs. 10/- each and 30,00,000 (Thirty Lac) Preference Shares of Rs. 100/- each with the rights, privileges and conditions attaching hereto as are provided by regulations of the Company divide the shares in the Capital for the time being in to several classes and subject to the provisions of the Companies Act, 2013 to attach hereto respectively, such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

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

S. No.	Names, Addresses and Description of Subscriber	Signature	Number of Shares taken by each subscriber	Name, Address and Description of witness
1.	M/s. B. K. Khanna & Co. (P) Ltd., 14-F, Con. Place, New Delhi -- Company	For B. K. Khanna & Co. (P) Ltd. Sd. Kamal N. Khanna Director	One Equity Share	Signature of these subscribers attested Sd. S. K. Vohra, Chartered Accountant, 32, Regal Building, New Delhi.
2.	Gian Dev Arora s/o Mr. Ram Chand 8A/62, Western Extension Area, Pusa Road, New Delhi -- Service	Sd. G. D. Arora	One Equity Share	
3.	Kamla Rathour d/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi -- Business	Sd. Kamla Rathour	One Equity Share	
4.	Kamal N. Khanna s/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi -- Business	Sd. Kamal N. Khanna	One Equity Share	
5.	Bimal K. Khanna s/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi -- Business	Sd. B. K. Khanna	One Equity Share	
6.	Mrs. S. Khanna w/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi -- Business	Sd. S. Khanna	One Equity Share	
7.	Shadi Lai Vohra s/o Mr. Kishan Chand Vohra 23-B, Connaught Place, New Delhi -- Chartered Accountant	Sd. S. L. Vohra	One Equity Share	
	Total		Seven Equity Shares	

Dated the 27th day of November, 1963.

Note: \* The Clause V has been amended by a resolution in the Annual General Meeting dated 29-7-1997 and has further been amended pursuant to order dated 05-03-2019 of Hon'ble National Company Law Tribunal approving the Scheme of Amalgamation of Shriram Automotive Products Limited with Shriram Pistons and Rings Limited, effective from 29-03-2019.



**ARTICLES OF ASSOCIATION  
OF  
SHRIRAM PISTONS AND RINGS LIMITED**

1. Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which the articles become binding on the Company. The marginal notes hereto shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith:
- Interpretation.
- “The Act” means the Companies Act 1956.
- “The Company” means Shriram Pistons and Rings Limited
- “The Directors” means the Directors for the time being of the Company.
- “The Board of Directors” or “the Board” means the Board of Directors for the time being of the Company.
- “The Office” means the Registered Office for the time being of the Company.
- “Register” means the Register of Members to be kept pursuant to Section 150 of the Act.
- “The Registrar” means the Registrar of Companies.
- “Dividend” includes bonus.
- “Month” means calender month.
- “Seal” means the Common Seal of the Company.
- “Proxy” includes Attorney duly constituted under a Power-of-Attorney.
- “In writing” and “Written” include printing, lithography and other modes of representing or reproducing words in a visible form.
- Words imparting the singular number only include the plural number and *vice versa*.
- Words imparting persons include corporations.
2. Save as reproduced herein the regulations contained in Table “A” in the First schedule to the Act shall not apply to the Company. Table “A” not to apply.
3. Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on the security of, shares of the Company and the Company shall not give, directly or indirectly, any financial assistance, whether by way of loan, guarantee, the provision of security or otherwise, for the purpose of or in connection with any purchase of or subscription for shares in the Company or any company of which it may, for the time being, be a subsidiary. Company not to purchase its own shares.
- This article shall not be deemed to affect the power of the Company to enforce repayment of loans to members or to exercise a lien conferred by Article 33.

## SHARES

- Division of Capital.\*
4. The Share Capital of the Company is Rs. 82,50,00,000 (Rupees Eighty Two Crore Fifty Lac only), divided into 5,25,00,000 (Five Crore Twenty Five Lac) Equity Shares of Rs. 10/- each and 30,00,000 (Thirty Lac) Preference shares of Rs. 100/- each and the said Preference Shares shall confer the right to a fixed cumulative preferential dividend at such a rate as may be determined by the Board of Directors at the time of issue of shares, free of Company's income tax but subject to deduction of tax as prescribed under the Income Tax Act, on the capital for the time being paid up thereon; and the right in a winding up to a preferential repayment of capital paid up and arrears of dividend, whether earned, declared or not, up to the commencement of the winding up in priority to the Equity Shares but shall not confer any further right to participate in profits or assets. Subject to the provisions of Section 55 of the Companies Act, 2013, Preference Shares shall be liable to be redeemed at such a premium, if any, as may be determined at the time by the Company, at any time from the date of allotment but before twenty years from the said date, at the option of the Company by a notice of atleast fifteen days.
- Allotment of Shares.
5. Subject to the provisions of these Articles the shares shall be under the control of the Board who may allot or otherwise dispose off the same to such persons on such terms and conditions, and at such times, either at par or at a premium and for such time, and for such consideration as the Board thinks fit. Provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting and where at any time (after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the first allotment of shares, whichever is earlier) it is proposed to increase the subscribed capital of the Company by the issue of new shares, then, subject to any directions to the contrary which may be given by the Company by Special Resolution passed by the members in general meeting, and to Section 81 of the Act, the Board shall issue such shares in the manner set out in that Section 81 of the Act.
- Return of Allotments.
6. As regards all allotments made from time to time the Company shall duly comply with Section 75 of the Act.
- Restriction on Allotments.
7. If the Company shall offer any of its shares to the public for subscription:
- No allotment thereof shall be made, unless the amount stated in the prospectus as the minimum subscription has been subscribed, and the sum payable on application thereof has been paid to and received by the Company; but this provision shall no longer apply after the first allotment of shares offered to the public for subscription.
  - The amount payable on application on each share shall not be less than 5 per cent, of the nominal amount of the share.
  - The Company shall comply with the provision of sub-section (4) of Section 69 of the Act.

Note : \* Article No. 4 was amended by a resolution in the Annual General Meeting dated 29-7-1997 and has further been amended pursuant to order dated 05-03-2019 of Hon'ble National Company Law Tribunal approving the Scheme of Amalgamation of Shriram Automotive Products Limited with Shriram Pistons and Rings Limited, effective from 29-03.2019.

And if the Company shall propose to commence business on the footing of a statement in lieu of prospectus, the Board shall not make any allotment of shares payable in cash unless seven at least of the shares proposed to be issued shall have been subscribed, for on a cash footing by seven members and Section 70 of the Act shall have been complied with.

8. The Company may exercise the powers of paying commission conferred by Section 76 of the Act, provided that the rate per cent, or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the commission shall not exceed 5 per cent, of the price at which any shares in respect whereof the same is paid are issued or 2-½ per cent of the price at which any debentures are issued (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful. Commission and brokerage.
9. With the previous authority of the Company in General Meeting and the sanction of the Court and upon otherwise complying with Section 79 of the Act the Board may issue at a discount shares of a class already issued. Shares at a discount.
10. If, by the conditions of allotment of any shares, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalments shall, when due, be paid to the Company by the person who for the time being shall be the member registered in respect of the share or by his executor or administrator. Instalments on shares to be duly paid.
11. Members who are registered jointly in respect of a share shall severally as well as jointly liable for the payment of all instalments and calls due in respect of such share. Liability of members registered jointly.
12. Save as herein otherwise provided, the Company shall be entitled to treat the member registered, in respect of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person. Trusts not recognised.
13. Shares may be registered in the name of any person, company or other body corporate. Who may be registered.

### CERTIFICATES

14. The certificates of title to shares and duplicates thereof when necessary shall be issued under the Seal of the Company which shall be affixed in the presence of two Directors and of the Secretary or some other person appointed by the Board for the purpose and two Directors and Secretary or other person shall sign such share certificate, provided that not more than one of the aforesaid two directors shall be a managing or whole-time Director or a Director to whom section 261 of the Act applies. Certificates.
15. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name, or, if the Board so approves, to several certificates each for one or more of such shares, on payment of such shares, on

payment of such fee not exceeding Rs. 2/- for each additional certificate or without payment of any fee as the Board may determine. Unless the condition of issue of any shares otherwise provide, the Company shall, within three months after the date of allotment and on surrender to the Company of its letter making the allotment or within two months after receipt of the application for registration of the transfer of any of its shares, as the case may be, complete and have ready for delivery the certificates of such shares. Every certificate of shares shall specify the name of the person in whose favour the certificate is issued, the shares to which it relates and the amount paid up thereon. Particulars of every certificate issued shall be entered in the Register of Members maintained in the form set out in the Act or in a form as near thereto as circumstances admit, against the name of the person to whom it has been issued, indicating the date of issue. In respect of any share registered in the joint names of every members, the company shall not be bound to issue more than one certificate and delivery of a certificate to one of several members registered jointly in respect thereof shall be sufficient delivery to all such members.

As to issue of new certificate in place of one defaced, lost or destroyed.

16. Subject to the provisions of Section 84 of the Act, if any certificate be worn out or defaced, then, upon surrender thereof to the Company, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board may deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to the shares to which such lost or destroyed certificate shall relate. Where a certificate has been issued in place of a certificate which has been defaced, lost, or destroyed, it shall state on the face of it and against the stub or counterfoil that it is a duplicate issued for the one so defaced, lost or destroyed. For every certificate issued under this Article there shall be paid to the Company the sum of Rs. 1/- on such smaller sum together with such out of pocket expenses incurred by the Company in investigating evidence as the Board may determine.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised.

17. Where a new share certificate has been issued in pursuance of Article 16, particulars of every such certificate shall also be entered in a Register of Duplicate Certificates indicating against the names of the person to whom the certificate is issued, the number and date of issue of the certificate in lieu of which the new certificate is issued. Within twenty one days of the date of every such issue, the Company shall send to the Registrar notice of such issue and where the shares are for the time being dealt in or quoted on a Stock Exchange, such notice shall also be sent to the Stock Exchange.

### CALLS

18. The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of

Calls.

allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Board. A call may be made payable by instalments and shall be deemed to have been made when the resolution of the Board authorising such call was passed.

19. No call shall exceed one-fourth of the nominal of a share, or be made payable within one month after the last preceding call was payable. Not less than thirty days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
20. If the sum payable in respect of any call or instalments be not paid on or before the day appointed for payment, thereof, the member for the time being registered in respect of the share for which the call shall have been made or the instalment shall be due shall pay interest for the same at the rate of 12 per cent per annum from the day appointed for the payment thereof the time of and actual payment, or at such lower rate (if any) as the Board may determine and the Board shall have power to waive interest or any part thereof.
21. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the share or by way of premium every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.
22. On the trial or hearing of any action or suit brought by the Company against any member or his representatives to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defender is, or was, when the claim arose on the Register as a member or one of the members in respect of the share for which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
23. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money due upon the share held by him beyond the sums actually called for, and upon the money so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls, then made upon the share in respect of which such advance has been made, the company may pay interest at such rate not exceeding 6 per cent per annum as the member paying such sum in advance and the Board agrees upon. Money so paid, in excess of the amount of calls shall not rank for dividends or participate in profits. The Board may at any time repay the amount so advanced upon giving to such member not less than three months notice in writing.
24. A call may be revoked or postponed at the discretion of the Board.

Restriction on power to make calls and notice.

When interest on call for instalment payable.

Amount payable at fixed times or payable by instalments as calls.

Evidence in actions by Company against members.

Payment of Calls in advance.

Revocation of calls.

## FORFEITURE AND LIEN

25. If any member fails to pay any call or instalment 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 instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- Form of notice. 26. The notice shall name a day (not being earlier than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the share in respect at which such call was made or instalment is payable will be liable to be forfeited.
- If notice not complied with shares may be forfeited. 27. If the requisitions of any such notice as aforesaid be not complied with any share in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture.
- Notice after forfeiture. 28. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- Forfeited share to become property of the Company. 29. 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 it thinks fit.
- Power to annul forfeiture. 30. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
- Liability on forfeiture. 31. 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 instalments, interest and expenses, owing upon or in respect of such share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at 12 per cent per annum and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.
- Evidence of forfeiture. 32. A duly verified declaration in writing that the declarant is a Director 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 fact therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given

for the shares on the sale or disposition thereof shall constitute a good title to such shares; and the person to whom any such share is sold shall be registered as the member in respect of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

33. The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such share whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 12 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.
34. For the purpose of enforcing such lien the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such share for seven days after the date of such notice.
35. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as it presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the share before the sale) be paid to the person entitled to the share at the date of the sale.
36. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchaser money, and after his name has been entered in the Register in respect of such share the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
37. Where any share under the orders in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former member in respect of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up.

Company's lien on shares.

As to enforcing lien by sale.

Application of proceeds of sale.

Validity of sales in exercise of lien and after forfeiture.

Board may issue New Certificates.

## TRANSFER AND TRANSMISSION

Execution of transfer  
etc.

38. Save as provided in Section 108 of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or if no such certificate is in existence, the Letter of Allotment of the shares. The instrument of transfer of any share shall specify the name, address and occupation (if any) of the transferee, and the transferor shall be deemed to remain the member in respect of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation.

Application by  
transferor.

39. Application for the registration of the transfer of share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall in the case of a partly paid share be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

Form of transfer.

40. The instrument of transfer of any share shall be in writing in the usual common form, or in the following form, or as near thereto as circumstances will admit.

### SHRIRAM PISTONS & RINGS LIMITED

I, A, B, (address and occupation).....

.....in

consideration of the sum of Rs.....paid to

me by C, D of (address and occupation).....

.....

hereinafter called the said transferee, do hereby transfer to the said transferee.....

..... share (or shares)

numbered..... inclusive in the undertaking called Shriram Pistons and Rings Limited, to hold unto the said transferee, his executors, administrators and assign subject to the several conditions on which I held the same immediately before the execution hereof; and I, the said transferee, do hereby agree to take the said share (or shares) subject to the condition aforesaid.

As witness our hands the ..... day of .....20.....

Witness to the signature of, etc.



- |     |  |   |
|-----|--|---|
| 41. | Subject to the provisions of Section III of the Act, the Board without assigning any reason for such refusal, may within two months from the date on which the instrument of transfer was delivered to the Company refuse to register transfer of a share upon which the Company has a lien, and in the case of a share not fully paid up, may refuse to register a transfer to the transferee of whom the Board does not approve. Provided that 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 on any account whatsoever except a lien on shares.   | In what cases the Board may refuse to register the transfer.              |
| 42. | No transfer shall be made to person of unsound mind.   | No transfer to person of unsound mind.                                    |
| 43. | Every instrument of transfer shall be left at the office for registration accompanied by the certificate of the share to be transferred of if no such certificate is in existence by the Letter of Allotment of the share and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. Every instrument of transfer which shall be registered shall be retained by the Company, but an instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.   | Transfer to be left at office when to be retained.                        |
| 44. | If the Board refuses to register the transfer of any share the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal.  | Notice of refusal to register transfer.                                   |
| 45. | Deleted.   |   |
| 46. | The executor or administrator or any other person becoming entitle to shares of a deceased member (not being one of several members registered jointly) shall be the only person recognised by the Company as having any title to the share registered in the name of such member, in case of the death of any one or more of the members registered jointly in respect of any share, the survivor shall be the only person recognised by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased member from any liability on the share held by him jointly with any other person. Before recognising any executor or administrator or such other person entitled to shares the Board may require him to obtain a Grant of Probate or Letter of Administration or other legal representation, as the case may be, from a competent Court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with the production of Probate or Letter of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider adequate. | Transmission of registered shares.<br><br>As to survivorship.             |
| 47. | Any committee or guardian of a lunatic or minor member or any person becoming entitled to or to transfer any share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may, with the consent of the Board, be registered as a member in respect of such share, or may, subject to the regulations as to transfer herein before contained, transfer such share. This Article is hereinafter referred to as "The Transmission Article".  | As to transfer of shares of insane, minor, deceased, or bankrupt members. |

Transmission Article.

48. (1) If the person so becoming entitled under the Transmission Article shall elect to be registered as a member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.
- (3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instruments of transfer of a share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

Election under the Transmission Article.

Rights of person entitled to shares under the Transmission Article.

49. A person so becoming entitled under the Transmission Article to a share by reason of the death, lunacy, bankruptcy or insolvency of the member shall, subject to the provisions of Article 81 and of Section 206 of the Act, be entitled to the same dividends and other advantages to which he would be entitled if he were the member in respect of the share. 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 shares, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

### INCREASE AND REDUCTION OF CAPITAL

Power to increase capital.

50. The Company may from time to time by ordinary Resolution increase the capital by the creation of new shares of such amount as may be deemed expedient.
- 50.A In the event of the Company creating and/or issuing further preference shares in future ranking in all respects *pari passu* with the preference shares first issued, it would do so only with the consent of the holders of not less than  $\frac{3}{4}$ th of preference shares than outstanding.

On what conditions new shares may be issued.

51. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company than issued, the new shares may be issued upon such terms and conditions, and with such rights and privileges attached thereto as the Special Resolution resolving upon the creation thereof, shall direct, and if no direction be given, as the Board shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.

Provisions relating to the issue.

52. Before the issue of any new shares, the Company by Special Resolution may make provisions as to the allotment and issue of the new shares, and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium or, subject to the provisions of Section 79 of the Act at a discount; in default of any such provisions, or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of Article 5.

53. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the Capital existing at the time and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien and otherwise.

How far new shares to rank with existing shares.

54. If, owing to any inequality in the number of new shares to be issued, and the number of shares held by members entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in General Meeting be determined by the Board.

Inequality in number of new shares.

55. The Company may from time to time by Special Resolution reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner and with any subject to any incident authorised and consent required by law.

Reduction of capital etc.

### ALTERATION OF CAPITAL

56. The Company may from time to time by Ordinary Resolution :

Power to sub-divide and consolidate shares.

- (1) consolidate and divide all or any of its shares capital into share of large amount than its existing share;
- (2) sub-divide its existing 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.
- (3) cancel any shares which the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

57. The Ordinary Resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting, or otherwise over or as compared with the others or other, subject nevertheless, to the provisions of Sections 87, 88 and 106 of the Act.

Rights upon a sub-division.

58. Subject to the provisions of Sections 100 to 105 inclusive of the Act, the Board may accept from any member the surrender on such terms and conditions as shall be agreed of all or any of his shares.

Surrender of shares.

## MODIFICATION OF RIGHTS

Power to modify rights.

59. Whenever the capital (by reason of the issue of Preference Shares of otherwise) is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, varied or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is (A) consented to in writing by the holders of at least three fourths of the issued shares of that class or (B) sanctioned by a Special Resolution passed at a separate Meeting of the holders of the issued shares of that class in accordance with Section 106 of the Act and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis, apply to every such meeting, except that the quorum thereof shall be not less than two persons holding or representing by proxy one-fifth of the nominal amount of the issued shares of the class. This Article is not by implication to curtail the power of modification which the Company would have if this Article were omitted. The Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar.

## BORROWING POWERS

Power to borrow.

60. The Board may, from time to time, at its discretion, subject to the provisions of Sections 292, 293 and 370 of the Act, raise or borrow from the directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company; provided that the Board shall not, without the sanction of the General Meeting, borrow any sum of money which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

Conditions on which money may be borrowed.

61. 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; perpetual or redeemable, debentures or debenture stock, or any mortgage, or other security on the undertaking or the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

Issue at discount etc. or with special privileges.

62. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

63. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debentures.

Instrument of transfer.

64. If the Board refuses to register the transfer of any debentures, the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

Notice of refusal to register transfer.

### GENERAL MEETINGS

65. The Statutory Meeting of the Company shall, as required by Section 165 of the Act, be held at such time not being less than one month not more than six months from the date of which the Company shall be entitled to commence business and at such place as the Board may determine, and the Board shall comply with the other requirements of that Section as to the report to be submitted and otherwise.

The Statutory Meeting.

66. In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 166 (1) of the Act and subject to the provisions of Section 166(2) of the Act at such time and places as may be determined by the Board. Each such general meeting shall be called an "annual general meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called as "extraordinary general meeting".

When Annual General Meetings to be held.

67. The Board may whenever it thinks fit call an extraordinary general meeting, and it shall, on the requisition of such number of members as hold, at the date of the deposit of the requisition, not less than one tenth of such of the paid up capital of the Company as at that date carried the right of voting in regard to the matter to be considered at the meeting, forthwith proceed to call on extraordinary general meeting, and in the case of such requisition the following provisions shall apply:

When General & Extraordinary Meeting to be called.

- (1) The requisition shall state the matters for the consideration of which the meeting is to be called, shall be signed by the requisition and shall be deposited at the office. The requisition may consist of several documents in like form each signed by one or more requisitionists.
- (2) Where two or more distinct matters are specified in the requisition, the requisition shall be valid only in respect of those matters in regard to which the requisition has been signed by the member or members herein before specified.
- (3) If the Board does not, within twenty-one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of these matters on a day not later than forty-five days from the date of deposit, the requisitionists or such of them as are enabled so to do by virtue of Section 169(6)(b) of the Act may themselves call the meeting but any meeting so called shall not be commenced after three months from the date of deposit.

- (4) Any meeting called under this Article by the requisitionists shall be called in the same manner as nearly as possible as that in which meetings are to be called by the Board but shall be held at the office,
- (5) Where two or more persons hold any shares jointly a requisition or notice calling a meeting signed by one or some of them shall, for the purposes of this Article, have the same force and effect as if it had been signed by all of them.
- (6) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company and any sums so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as are in default.

Circulation of member's resolutions.

68. The company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.

Notice of Meetings.

69. Save as provided in sub-section(2) of Section 171 of the Act not less than twenty-one days' notice shall be given of every general meeting of the Company. Every notice of the meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Where any such business consists of "special business" as hereinafter defined there shall be annexed to the notice a statement complying with Section 173 (2) and (3) of the Act.

Notice of every meeting of the Company shall be given to every member of the Company, to the Auditors of the Company and to any persons entitled to a share in consequence of the death or insolvency of a member in any manner hereinafter authorised for the giving of notices to such persons.

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

### PROCEEDINGS AT GENERAL MEETINGS

Business of Meetings.

70. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any Meeting shall be deemed special business.

Quorum to be present when business commenced.

71. 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. Save as herein otherwise provided five members present in person shall be a quorum.

Resolution to be passed by Company in General Meeting.

72. Any act or resolution which, under the provisions of these Articles or of the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 189 (1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 189 (2) of the Act.

73. The Chairman of the Board shall be entitled to take the chair at every General Meeting. If there be no such Chairman or if any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the members present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, then the members present shall, on a show of hands or on a poll if properly demanded, elect one of their number, being a member entitled to vote, to be Chairman of the meeting.
- Chairman of General Meeting.
74. If within half-an-hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and such time and place as the Board may by notice appoint and if at such adjourned meeting a quorum be not present, those members who are present and not being less than two shall be a quorum and transact the business for which the meeting was called.
- When if quorum not present, meeting to be dissolved and when to be adjourned.
75. Every question submitted to a meeting shall be decided, in the first instance by a show of hands. In the case of an equality of votes, on a poll, the Chairman of the meeting shall have casting vote in addition to the vote to which he may be entitled as a member but not otherwise.
- How questions be decided at meetings. Casting vote.
76. At any General Meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the Meeting of his own motion, or at least five members having the right to vote on the resolution in question and present in person or by proxy, or by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of such resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on such resolution, being shares on which an aggregate sum has been paid which is not less than one-tenth of the total sum paid up on all shares conferring that right, a declaration by the Chairman that the resolution has or has not been carried, or has or has not been carried either unanimously, or by particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of, or against the resolution.
- What is to be evidence of the passing of resolution where poll not demanded.
77. (1) If a poll be demanded as aforesaid, it shall be taken forthwith on a question of adjournment or election of a Chairman of the Meeting; and in any other case it shall be taken in such manner and at such time, not being later than forty-eight hours from the time when the demand was made, and at such place as the Chairman of the meeting directs, and, subject as aforesaid, either at once or after an interval or after adjournment or otherwise. The result of the poll shall be deemed to be decision of the meeting on the resolution on which the Poll was demanded.
- Poll.
- (2) The demand of a poll may be withdrawn at any time.
- (3) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, one at least of whom shall be a member (not being an

officer or employees of the Company) present at the meeting provided such a member is available and willing to be appointed, to scrutinise the votes given on the poll and report to him thereon.

- (4) On a poll, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes, or cast in the same way all the votes he uses.
- (5) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Power to adjourn  
General Meeting and  
determine right to  
vote.

78. (1) The Chairman of a General Meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business at an adjourned meeting.

#### VOTES OF MEMBERS

Votes of members.

79. Save as hereinafter provided, on a show of hands every member present in person shall have one vote and every person present either as a General Proxy (as defined in Article 84) or as a duly authorised representative of a body corporate shall if he is not entitled to a vote in his own right, have one vote and upon a poll the voting rights of members shall be as specified in Section 87 of the Act, provided that no company or body corporate shall vote by proxy, so long as a resolution of its Board of Directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

A member registered in respect of a Preference Share shall not in respect of such share be entitled to vote at any general meeting of the Company except :-

- (i) On any resolution placed before the company at a general meeting on the date of which the dividend due on such share or any part thereof remains unpaid in respect of an aggregate period of not less than two years proceeding the date of commencement of such meeting; or
- (ii) On any resolution placed before the Company which directly affects the rights attached to the Preference Shares in the Capital of the Company and for this purpose any resolution for the winding up of the company or for the repayment or reduction of its share capital shall be deemed directly to affect the rights attached to such shares.

Procedure where a  
Company is a member  
of the Company.

80. Where a Company or a body corporate (hereinafter called "member company") is a member of the Company, a person duly appointed by resolution in accordance with the provisions of Section 187 of the Act to represent such member company at a meeting of the Company, shall not, by reason of such appointment, be deemed to be a proxy, and the lodging with the Company at the office or the production at the meeting of a copy of such resolution duly signed by one Director of such



member company and by its Managing Agents (if any) and certified by him or them as being a true copy of the resolution shall, on production at the meeting, be accepted by the Company which he represents, as that member company could exercise.

81. Any person entitled under the Transmission Article to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the member registered in respect of such share, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to transfer such share, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a minor, lunatic, idiot or non compos mentis, he may vote whether by a show of hands or at a poll by his guardian, committee, curator bonis or other legal curator and such last-mentioned persons may give their votes by proxy.
82. Where there are members registered jointly in respect of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto; and if more than one of such member be present at any meeting either personally or by proxy, that one of the said member so present whose name stands first on the Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purposes of this Article be deemed to be members registered jointly in respect thereof.
83. On a poll votes may be given either personally or by proxy, or, in the case of a body corporate, by a representative duly authorised as aforesaid.
84. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his Attorney duly authorised in writing or if such appointor is a body corporate be under its common seal or the hand of its office or Attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a Specific Proxy. Any other proxy shall be called a General Proxy.
- A person may be appointed a proxy though he is not a member of the Company and every notice convening a meeting of the Company shall state this and that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him.
85. The instrument appointing a proxy and the Power-of-Attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.
86. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the
- Votes in respect of deceased, insane and insolvent members.
- Members registered jointly.
- Proxies permitted.
- Instrument appointing proxy to be in writing.  
Proxies may be general or special.
- Instrument appointing a proxy to be deposited at the office.
- When vote by proxy valid though authority revoked.

vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the office before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

Form of instruments appointing a Special Proxy.

87. Every instrument appointing a special Proxy shall be retained by the company and shall, as nearly as circumstances will admit, be in the form or to the effect following:-

..... **LIMITED**

I/We..... of ..... being a member of ..... Limited, hereby appoint..... of ..... (or failing him..... of..... or failing him..... of ..... (as my/our Proxy to attend and vote for me/us and on my/our behalf at the (Annual or Extraordinary, as the case may be) General Meeting of the Company to be held on the ..... day of..... and at any adjournment thereof.

As witness my/our hand(s) this..... day of ..... 20...., Signed by the said.....

Provided always that an instrument appointing a Proxy may be in any of the forms set out in Schedule IH to the Act.

Restrictions on voting.

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

Admission or rejection of votes.

89. (1) Any objection as the admission or rejection of a vote, either, on a show of hands, or, on a poll made in due time, shall be referred to the chairman of the meeting who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.
- (2) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

**DIRECTORS**

Number of Directors.

90. Until otherwise determined by Special Resolution, the number of the Directors of the Company shall not be less than three, or more than fifteen.

First Directors among others.

91. The persons hereinafter named shall become and be amongst others, the first Directors of the Company:-
- (1) Mr. Kamal N. Khanna
  - (2) Mr. Bimal K. Khanna
  - (3) The other first director of the Company shall be determined by the majority of the subscribers to the Memorandum of Association in writing.

- 91A Where any investment and finance corporation such as the Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India or any other corporation or the Central or State Government obtains shares of the Company, makes loans to the Company or gives guarantees in connection with the grant of loan to or the supply of machinery for the company, any such body shall be entitled to appoint a director or directors of the Company if that be agreed to as condition of the underwriting of shares, grant of loan or giving of the guarantee. The director/s so appointed shall not be required to obtain any qualification shares and the provisions of these Articles as to retirement of director/s shall not apply to him/them. The director/s so appointed shall have the same powers and privileges as other directors of the Company. The said director/s shall hold office at the pleasure of any such Corporation, Government which shall have full power to remove any of the director/s so appointed by it and to appoint any other person/s. Such director/s shall be director/s of the Company so long as the Board of Directors of the Company or Corporation or Government appointing them may deem fit.
92. Not less than two-third of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation.
93. The Board shall have power at any time and from time to time to appoint any person as a director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Directors so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-election.
94. A Director shall not be required to hold any shares in the Company as his qualification.
- 95.\* Unless otherwise determined by the Company in General Meeting each Director or his alternate shall be entitled to receive out of the funds of the Company, for his services in attending any meeting of the Board or any Committee thereof, such fee as the Board may determine from time to time, subject to the maximum amount prescribed under the Companies Act, 1956 and/or any other statutory provisions. All other remuneration, if any, payable by the Company to each Director, whether in respect of his services as a Director in the whole or part time employment of the Company shall be determined in accordance with and subject to the provisions of these Articles and of the Act. The Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred towards their attending Board and Committee meetings and otherwise in the execution of their duties as Directors, in accordance with the rules to be framed by the Board in this behalf.
96. If any Director being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a Committee of the Board then, subject to Sections, 198, 309 and 310 of the Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage
- Right of financial institutions etc. to appoint Directors.
- Proportion of Directors to retire by rotation.
- Power of Directors to add to their number.
- Qualifications of Directors. \*
- Director's fees, Remuneration & expenses.
- Remuneration for extra Service.

Note: \* The Article No. 95 has been amended by a resolution in the Annual General Meeting dated 12-7-1991.

of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

Board may act not withstanding vacancy.

97. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum above fixed the Board shall not, except for the purpose of filling vacancies, or convening a general meeting act so long as the number is below the minimum.

Vacation of office of Director.

98. The office of a Director shall *ipso facto* be vacated if :-

- (a) he is found to be of unsound mind by Court of competent jurisdiction; or
  - (b) he applies to be adjudicated an insolvent; or
  - (c) he is adjudged an insolvent; or
  - (d) he is convicted by a court in India of any offence and is sentenced in respect therefore to imprisonment for not less than six months; or
  - (e) he fails to pay any calls in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call; or
  - (f) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or
  - (g) he (whether by himself or by any person for his benefit or on his account), or any firm in which he is a partner; or any private company of which he is a director, accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
  - (h) he acts in contravention of Section 299 of the Act; or
  - (i) he becomes disqualified by an order of Court under Section 203 of the Act; or
  - (j) he be removed from office in pursuance of Section 284 of the Act; or
  - (k) by notice in writing to the Company he resigns his office; or
  - (l) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of sub-section (1) of Section 314 of the Act and by operation of that section he is deemed to vacate office; or
  - (m) having been appointed a director by virtue of his holding any office or other employment in the Company, or as a nominee of the Managing Agent of the Company, he ceases to hold such office or other employment in the Company or as the case may be the managing agency comes to an end.
- (2) Notwithstanding any matter or thing in sub-clauses (c), (d) and (i) of clause (1), the disqualification referred to in those sub-clauses shall not take effect:-
- (a) for thirty days from the date of adjudication, sentence or order; or
  - (b) where an appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or convict or resulting in the sentence, or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or

(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed would result in the removal of disqualification, until such further appeal or petition is disposed of.

99. No Director, no partner or relative of a Director, no firm in which a Director or his relative is a partner, no private company of which a Director is a Director or member and no director, managing agent, secretaries and treasurers or managers of such a private company shall, without the previous consent of the Company by Special Resolution, hold any office or place of profit under the Company or under any subsidiary of the Company (unless the remuneration received from such subsidiary in respect of such office or place is paid over to the Company or its holding company in so far as such remuneration is over and above the remuneration to which he is entitled as a director of such subsidiary) except that of a managing director, managing agents, secretaries and treasurers, manager, legal or technical adviser, banker, or trustee for the holder of debentures.

Director not to hold office of profit under the company or its Subsidiary.

100. A Director of this Company 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 a director or member of such company.

Directors may retain benefits from other company.

101. Subject to the provisions of Section 297 of the Act a Director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director, or a firm in which such Director, or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding office or of the fiduciary relation thereby established.

Conditions under which Directors may contract with company.

102. Every Director who is in any way, whether directly or indirectly, concerned or interested in a 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 as required by Section 299 of the Act. A general notice, renewable in the last month of each financial year of the Company, that a Director is a director or a member of any specified body corporate or is a member of any specified firm and is to be regarded as concerned or interested in any subsequent contract or arrangement with that body corporate or firm shall be sufficient disclosure of concern or interest in relation to any contract of arrangement so made and, after such general notice, it shall not be necessary to give special notice relating to any particular contract or arrangement with such body corporate or firm, provided such general notice is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Disclosure of a Director's interest.

Discussion and Voting  
by Director interested.

103. No Director shall, as a Director, take any part in the discussion of or vote on any contract or arrangement in which he is any way, whether directly or indirectly concerned or interested, nor shall his presence count of the purpose of forming a quorum at the time of such discussion or vote. This prohibition shall not apply to (a) any contract of indemnity against any loss which the Directors or any of them may suffer by reason of becoming or being sureties or a surety for the Company; or (b) any contract or arrangement entered into or to be entered into by the Company with a public company, or with a private company which is a subsidiary of a public company, in which the interest of the Director consists solely in his being a director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as director thereof, he having been nominated as such director by the Company.

### ROTATION OF DIRECTORS

Rotation and retirement  
of Directors.

104. At each Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office.

Which Director to  
retire.

105. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

Appointment of  
Directors to be voted  
on individually.

106. Save as permitted by Section 263 of the Act, every resolution of general meeting for the appointment of a Director shall relate to one named individual only.

Meeting to fill up  
vacancies.

107. The Company at the annual General Meeting at which a Director retires by rotation in manner aforesaid may fill up the vacated office by appointing the retiring Director or some other person there to.

If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till next succeeding day which is not a public holiday, at the same time and place. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting unless :

- (a) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the vote and lost; or
- (b) the retiring Director has by notice in writing addressed to the Company or the Board expressed his unwillingness to be re-appointed; or
- (c) he is not qualified or is disqualified for appointment; or
- (d) a resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the Act; or
- (e) the provision to sub-section (2) of Section 263 or sub-section (3) of Section 280 of the Act is applicable to the case.

108. The Company may, subject to the provisions of Section 284 of the Act, by Ordinary Resolution of which Special Notice has been given, remove any Director before the expiration of his period of office and may by ordinary resolution of which Special Notice has been given, appoint another person in his stead, if Director so removed was appointed by the Company in General Meeting or by the Board under Article 109. The person so appointed shall hold office until the date up to which his predecessor would have held office he had not been so removed. If vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed the Board may at any time thereafter fill such vacancy under the provisions of Article 109.

Power to remove Director by ordinary Resolution on Special Notice.

109. If any director appointed by the Company in General Meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled up by the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of director under Article 108.

Directors may fill up casual vacancies.

110. 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 has, not less than fourteen days before the meeting, left at the office a notice in writing under his hand signifying his candidature for the office of director or the intention of such member to propose him as a candidate for that office as the case may be.

When candidate for Office of Director must give notice.

### ALTERNATE DIRECTORS

111. The Board may appoint any person to act as alternate director for a Director at his request during the latter's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of Meetings of the Board and to attend and vote thereat accordingly; but he shall not require any qualification and shall "ipso facto" vacate office if and when the absent Director returns to the State in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

Power to appoint Alternate Director.

### PROCEEDINGS OF DIRECTORS

112. The Board shall meet together at least once in every three months for the despatch of business and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit. Unless all the Directors agree in writing for a shorter notice with respect to a particular meeting, at least one week's notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director.

Meetings of Directors.

113. A Director may at any time, and the Managing Agent or the Secretary shall, upon the request of a Director made at any time, convene a meeting of the Board.

Director may summon meeting.

- Chairman. 114.\* The Board shall appoint one of their members to be the Chairman of the Board and determine the period for which he will hold the office. The Board shall have the power to appoint one of their members to be the Deputy Chairman of the Board of Directors who shall be entitled to take the chair at any meeting from which the Chairman is absent. The Board shall also have the power to appoint one of their members to be the Senior Vice Chairman of the Board of Directors who shall be entitled to take the chair at any meeting from which the Chairman and the Deputy Chairman are absent. The Board shall also have the power to appoint one of their members to be the Vice Chairman of the Board of Directors who shall be entitled to take the chair at any meeting from which the Chairman, the Deputy Chairman and the Senior Vice Chairman are absent.”
- Quorum. 115. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall adjourned until such date and time as the Chairman of the Board shall appoint.
- Power of Quorum. 116. A meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and directions by or under these articles for the time being vested in or exercisable by the Board.
- How questions to be decided. 117. Subject to the provisions of the Act, questions arising at any meeting shall be decided by a majority of votes.
- Power to appoint committees and delegate. 118. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of the powers to a Committee consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulation that may from time to time be imposed upon it by the Board.
- Proceeding of the Committee. 119. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superceded by any regulations made by the Board under the last preceding Article.
- When acts of a Director valid notwithstanding defective appointment, etc. 120. Acts done by a person as Director shall be valid notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions contained in the Act or in these Articles provided that nothing in these articles shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
- Resolution without Board meeting. 121. Save in those cases where a resolution is required by Sections 262, 292, 297, 372(5) and 386 of the Act, to be passed at a meeting of the Board a resolution shall be as valid and effectual as it had been passed at a meeting of the Board or committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors or to all the members of the committee of the Board, as the

Note : \* *The Article No. 114 has been amended by a resolution in the Annual General Meeting dated 27-11-1989 and further in the Annual General Meeting dated 29-06-2007.*



case may be then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other directors or members of the Committee at their usual address in India, and has been approved by such of them as are then in India and are entitled to vote on the resolution.

## MINUTES

122. (1) The Board shall cause Minutes to be duly entered in books provided for the purposes
- (a) of the names of the Directors present at each meeting of the Board and of any Committee of the Board and 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.
  - (b) of all orders made by the Board and committee of the Board;
  - (c) of all appointments of Directors and officers of the Company; and
  - (d) of all proceedings of General Meetings of the company and of meetings of the Board and Committee of the Board.

Minutes to be made.

The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

PROVIDED that no matter need be included in any such Minutes which the Chairman of the meeting, is of opinion -

- (a) is, or could reasonably be regarded as, defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interests of the Company.
- (2) Any such Minutes of any meeting of the Board or of the any committee of the Board or of the company in General Meeting, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be evidence of the matters stated in such Minutes. The Minute Books of General Meetings of the company shall be kept at the office and shall be open to inspection of members on business days between the hours of 10 a.m. and 12 Noon.

## POWERS OF THE BOARD

123. Subject to the provisions of the act, the control of the company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the memorandum of the

General power of Company vested in the Board.

company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation has not been made.

Delegation of powers by the Board of Directors to whole-time Directors.

124. Subject to the provisions of the Act and in particular, to the prohibitions and restrictions contained in Section 292 thereof, the Board may, from time to time, entrust to and confer upon any whole-time Director for the time being such of the powers exercisable under these provisions by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as it thinks fit; and it may confer such powers either collaterally with, or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any such powers.

Delegation of powers.

125. Subject to the provisions of the Act, the Board may from time to time, as it may think fit, delegate to such person or persons as it may choose all or any of the powers hereby conferred upon the Board other than the powers to make calls on members in respect of money unpaid on their shares and to issue debentures.

## MANAGEMENT

Power to appoint Managing Director/ Joint Managing Directors.

126. Subject to the provisions of Sections 197-A, 267, 268, 269, 311, 316 and 317 of the Act, the Directors may from time to time appoint one or more of their body to be the Managing Director/Joint Managing Directors of the Company, either for a fixed term not exceeding five years or without fixing any terms but liable to determination and re-appointment on the expiry of five years or any other terms as may be required by Law and may from time to time, subject to the provisions of any contract, remove the Managing Director/Joint Managing Directors from office and appoint another or others in his or their place or places.

Provided that Mr. Bimal K. Khanna shall be the first Managing Director of the Company, who shall hold office and draw remuneration as may be determined by the Directors.

Managing Director/ Joint Managing Director/Whole time Directors not liable to retire by rotation.

- 127.\* Subject to the provisions of the Act, a Managing Director/Joint Managing Director/Whole Time Directors shall not be subject to the retirement, but subject to the provisions of any contract between him/them and the Company, he/they shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and he/they shall ipso facto and immediately cease to be Managing Director/Joint Managing Directors/Whole Time Directors if he/they cease to hold the office of Director(s) for any cause.

Remuneration of Managing Directors/ Joint Managing Directors.

128. Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, and any contract between him/them and the Company, the remuneration of Managing Director/Joint Managing Directors shall from time to time be fixed by the Directors which may be 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.

Note: \* The Article No. 127 has been amended by a resolution in the Annual General Meeting dated 29-7-1999.

129. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 292 thereof, the Board may from time to time entrust to and confer upon the Managing Director/Joint Managing Directors for the time being such of the powers exercisable under these presents by the directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the power of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Powers and Duties of  
Managing Director/  
Joint Managing  
Directors.

130. The Managing Director/Joint Managing Directors shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him/them and in particular from time to time provided by the appointment of an attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as he/they may think fit.

Powers of sub-  
delegation to Manag-  
ing Director/Joint  
Managing Directors.

### LOCAL MANAGEMENT

131. Subject to the provisions of the Act, the following regulations shall have effect:-

Local Management.

(1) The Board may from time to time provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the three next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.

Local Directorate  
delegation.

(2) The Board from time to time, and at any time may establish any Local Directorates or agencies for managing any of the affairs of the Company outside India, or in any specified locality in India, and may appoint any persons to be members of such local Directorate or any managers or agents and may fix their remuneration and, save as provided in Section 292 of the Act, the Board from time to time and at any time may delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board and may authorise the members for the time being of any such Local Directorate or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such condition as the Board may think fit and the Board may at any time remove any person so appointed and may annul or vary any such delegation.

Powers of Attorney

(3) The Board may at any time, and from time to time by power of Attorney under Seal, appoint to be the Attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board may from time to time think fit; any such appointment may, if the Board thinks fit, be made in favour of the members or any of the members of any Local Directorate established

Seal of use abroad.

as aforesaid or in favour of any company or of the members, directors, nominees, or officers of any company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board, and any such Power-of-Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorneys as the Board thinks fit.

Foreign Register.

- (4) The Company may exercise the power conferred by Section 50 of the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any State or country outside India, as may be permitted by the Act, a Foreign Register of Members or debenture holders resident in any such State or country and the Board may from time to time make such regulations as it may think fit respecting the keeping of any such Foreign Register, such regulations not being inconsistent with the provisions of Section 157 and 158 of the Act; and the Board may from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of any local law and shall in any case comply with the provisions of Section 157 and 158 of the Act.

### SOLE SELLING AGENTS

Appointment of Sole Selling Agents.

132. Subject to the provisions of Section 294 of the Act, Company may appoint any individual, firm, or body corporate as Sole Selling Agents for the sale and distribution of the Company's products, for any area or areas, in or outside India, on such terms and conditions as may be agreed upon between the Company and the Sole Selling Agents.

The First Sole Selling Agents.

133. Subject to the provisions of Section 294 of the Act, Messrs., B. K. Khana & Co. Private Limited of 14-F, Connaught Place, New Delhi, shall be appointed the first Sole Selling Agents for the Sale and distribution of the Company's products, in all territories within or without India, initially for a period of five years, provided however, that such appointment may be renewed subsequently by further periods not exceeding five years on each occasion.

### THE SEAL

Custody of Seal.

134. The Board shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority previously given of the Board or a Committee of the Board authorised by the Board in that behalf and two Directors at least and the Secretary of the Company, if any, shall sign every instrument to which the Seal is affixed. Provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.

### ANNUAL RETURNS

Annual Returns.

135. The Company shall comply with the provisions of Section 159 and 161 of the Act as to the making of Annual Returns.

## RESERVES

136. The Board may from time to time before recommending any dividend set apart any and such portion of the profits of the Company as it thinks fit as Reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalisation of dividends for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interests of the Company, and may subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the Reserves into such special funds as it think fit, with full power to employ the Reserves or any parts thereof in the business of the Company and that without being bound to keep the same separate from the other assets.
137. All moneys carried to the Reserves shall nevertheless remain and be profits of the Company applicable, subject to due provisions being made for actual loss or depreciation for the payment of dividends and such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may, subject to provisions of Sections 370 and 372 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Board may from time to time think proper.

Reserves.

Investment of money.

## CAPITALISATION OF RESERVES

138. Any General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Fund, or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part capitalised fund be applied on behalf of such members in paying up in full any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as full paid bonus shares.
139. A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or in any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital.

Capitalisation of Reserves.

Surplus Money.

Fractional certificates.

140. For the purpose of giving effect to any resolution under the two last proceeding Articles and Article 141 hereof the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite a proper contract shall be filed in accordance with Section 75 of the Act, and Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

### DIVIDENDS

How profits shall be divisible.

141. Subject to the rights if any, of members, entitled to shares with preferential or special rights attached thereto, the profits of the Company, which it, shall from time to time determine to divide, in respect of any year or other period shall be applied in the payment of a dividend on the Ordinary Shares of the Company but so that a partly paid up share shall only entitle the member registered in respect thereof to such a proportion of the distribution upon a fully paid up share as the amount paid thereon bears to the normal amount of such share and so that where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest, confer a right to participate in profits.

Declaration of dividends.

142. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.

Restriction on amounts of dividends.

143. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend,

Dividend out of profits only and not to carry interest.

144. Subject to the provisions of Section 205 of the Act, no dividend shall be payable except out of the profits of the Company or out of moneys provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.

What to be deemed net profits.

145. The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

Interim dividends.

146. The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company.

Debts may be deducted.

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

Dividend and Call together.

148. Any General Meeting declaring dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the

same time as the dividend may, if so arranged between the company and the members be set off against the call.

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|---|-----------------------------|
| 149. No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the Capitalization of profits or reserves of the Company for the purpose of issuing fully paid up bonus shares, or paying up any amount for the time being unpaid on any shares held by the members of the Company.   | Dividend in Specie.         |
| 150. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.  | Effect of transfer.         |
| 151. No dividend shall be paid in respect of any share except to the member registered in respect of such share or his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of a member to make a separate application to the Company for the payment of the dividend.  | To whom dividends payable.  |
| 152. Any of several persons who are registered jointly as member in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such share.  | Members registered jointly. |
| 153. Notice of any dividend, whether interim or otherwise, shall be given to the persons entitled to share therein in the manner hereinafter provided.  | Notice of dividends.        |
| 154. Unless otherwise directed in accordance with Section 206 of the Act any dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or in the case of members who are registered jointly to the registered address of that one of such members who is first named on the Register of members in respect of the joint-holding of such person and such address as the member or members who are registered jointly as the case may be, may in writing direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. | Payment by post.            |
| 155. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and all dividends unclaimed till the claim thereto becomes barred by law may be forfeited by the Board for the benefit of the Company, but the Board may annul the forfeiture wherever they may think proper.   | Unclaimed dividends.        |

### BOOKS AND DOCUMENTS

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|--|------------------------------|
| 156. The Board shall cause to be kept in accordance with Section 209 of the Act proper books of account with respect to:-<br>(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;<br>(b) all sales and purchases of goods by the Company;<br>(c) the assets and liabilities of the Company. | Books of account to be kept. |
| 157. The books of account shall be kept at the office of or at such other place in India as the Board thinks fit, and shall be open to inspection by any Director during business hours.   | Where to be kept.            |

Inspection by members.

158. The Board shall from time to time determine whether and to what extent, and at what times and places, and under what conditions or regulations, the books of account and books and documents other than those referred to in Articles 122/2 and 182 of the Company, or any of them, shall be open to the inspection of the members not being Directors; and 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 authorised by the Board or by the Company in General Meeting.

## BALANCE SHEET AND ACCOUNTS

Balance Sheet and Profit and Loss Account.

159. At every Annual General Meeting, the Board shall lay before the Company Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of sections 210, 211, 212, 215 and 216 and of schedule VI to the Act so far as they are applicable to the Company but, save, as aforesaid the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than they may deem expedient.

Annual Report of Directors.

160. There shall be attached to every Balance Sheet laid before the Company a report by the Board complying with section 217 of the Act.

Copies to be sent to members and others.

161. A copy of every Balance Sheet (including the Profit and Loss Account, the Auditor's Report and every document required by law to be annexed or attached to the Balance Sheet) shall, as provided by Section 219 of the Act, not less than twenty-one days before the meeting be sent to every such member, debenture-holder, trustee and other person to whom the same is required to be sent by the said section.

Copies of balance sheet etc. to be filed.

162. The Company shall comply with Section 220 of the Act as to filing copies of the Balance Sheet and Profit and Loss Account and documents required to be annexed or attached thereto with the Registrar.

## AUDIT

Account to be audited annually.

163. Once at least in every year the books of account of the Company shall be examined by one or more Auditor or Auditors.

First Auditors.

164. The First Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company; and the Auditor or Auditors so appointed shall hold office until the conclusion of first Annual General Meeting of the Company.

Appointment and remuneration of Auditors.

165. The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting and their appointment, remuneration, rights and duties shall be regulated by Sections 224 to 231 of the Act.

Audit of accounts of branch office of Company.

166. Where the Company has a branch office the provisions of Section 228 of the Act shall apply.



167. All notices of, and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

Right of Auditor to attend General Meeting.

168. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Auditor's Report to be read.

169. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

When accounts to be deemed finally settled.

## SERVICE OF NOTICES AND OTHER DOCUMENTS

170. (1) A notice or other document may be given by the Company to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.

How notices to be served on members.

(2) Where a notice or other document is sent by post:-

(a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice or document, provided that where a member has intimated to the Company in advance that notices or documents should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sufficient sum to defray the expenses of doing so service of the notice or document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

Service by post.

(b) unless the contrary is proved, such service shall be deemed to have been effected.

(i) in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted, and

(ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

171. A notice or other document advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served on the day on which the advertisement appears on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him. Any member who has no registered address in India shall, if so required to do by the Company, supply the Company with an address in India for the giving of notice to him.

Notice to members who have not supplied addresses.

172. A notice or other document may be served by Company on the members registered jointly in respect of a share by transmission to the member named first in the Register in respect of share.

Notice to members registered jointly.

173. A notice or other document may be served by the Company on the persons entitled to a share in consequences of the death or insolvency of a member by

Notice to persons entitled by transmission.

sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address in India supplied for the purpose by the person claiming to be so entitled, or, until such an address has been so supplied, by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

When notice may be given by advertisement.

174. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by advertisement.

How to be advertised.

175. Any notice required to be or which may be given by advertisement shall be advertised once in one or more news papers circulating in the neighbourhood of the office.

When notice by advertisement deemed to be served.

176. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

Transferee, etc. bound by prior notices.

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

Notice valid though member deceased.

178. Subject to the provisions of Article 171 any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall notwithstanding such member be then deceased and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any share whether registered solely or jointly with other persons until some other person be registered in his stead as the member in respect thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.

Service of process in Winding up.

179. Subject to the provisions of Sections 497 and 509 of the Act, in the event of a winding-up of the Company every member of the Company who is not for the time being in Delhi or New Delhi shall be bound, within eight weeks after the passing of an effective resolution to wind up the Company voluntarily or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some householder residing in the neighbourhood of the office upon whom all summons, notices, processes, orders and judgements in relation to or under the winding-up of the Company may be served and in default of such nomination the Liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee whether appointed by the member or the liquidator shall be deemed to be good personal service on such member for all purposes, and where the Liquidator makes any such appointments he shall with all convenient speed give notice thereof to such member by advertisement in some daily newspaper circulating in the neighbourhood of the office or by a registered letter sent by post and addressed to such member at his address as registered in the Register and such notice shall be deemed to be served on the day on which the

advertisement appears or the letter would be delivered in the ordinary course of the post. The provisions of this Article shall not prejudice the right of the Liquidator of the Company to serve any notice or other document in any other manner prescribed by these Article.

## KEEPING OF REGISTERS AND INSPECTION

180. The Company shall duly keep and maintain at the office, in accordance with the requirements of the Act in that behalf, the following Registers:-

- (1) A Register of Charges pursuant to Section 143 of Act.
- (2) A Register of members pursuant to Section 150 and, whenever the Company has more than 50 members unless such Register of Members is in a form which itself constitutes an index of members pursuant to Section 151 of the Act.
- (3) A Register of Debenture-holders pursuant to Section 152 and, whenever the Company has more than 50 Debenture-holders, unless such register of debenture holders itself constitutes an index, an index of Debenture-holders pursuant to Section 152(2) of the Act.
- (4) A Register of Contracts pursuant to Section 301 of the Act.
- (5) A Register of "Directors, Managing Agents, Secretaries and Treasurers, Manager, Managing Director and Secretary" pursuant to Section 303 of the Act.
- (6) A Register of Director's Shareholdings pursuant to Section 307 of the Act.
- (7) A Register of Investments made by the Company in shares and debentures of bodies corporate in the same group pursuant to Section 372 of the Act.
- (8) A Register of Investments not held by the Company in its own name pursuant to Section 49(7) of the Act.

Registers etc. to be maintained by Company.

181. The Company shall comply with the provisions of Sections 39, 118, 163, 196, 219, 301, 302, 307, 362 and 372 of the Act as to the supplying of copies of the Registers, deeds, documents, instruments, returns, certificates and books therein mentioned to the persons therein specified when so required by such persons, on payment of the charges, if any, prescribed by the said Sections.

Supply of copies of Registers etc.

182. Where under any provision of the Act any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during the hours of 10 a.m. to 12 noon on such business days as the Act requires them to be open for inspection.

Inspection of Registers, etc.

183. The Company, may after giving not less than seven days' previous notice by advertisement in some newspaper circulating in Delhi close the Register of Members or the Register of Debenture holders as the case may be for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

Closure of Registers of Members and Debenture holders.

## RECONSTRUCTION

### Reconstruction.

184. On any sale of the undertaking of the Company the Board or the Liquidators on a winding-up may, if authorised by a Special Resolution, accept fully paid or partly paid up shares, debentures or securities of any other Company whether incorporated in India or not either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities, or any other property of the Company amongst the members without realisation, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation of distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound-up, such statutory rights (if any) under Section 494 of the Act as are incapable of being varied or excluded by these Articles.

## SECRECY

### Secrecy.

185. Every Director, Manager, Secretary, Trustee for the Company, its members or debenture-holders, member of a committee, officer, servant, agent, accountant, or other person employed in or about the business of the Company shall, if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transaction of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

No member to enter the premises of the Company without permission.

186. No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or, subject to Article 158 to require discovery of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

## WINDING-UP

### Distribution of assets.

187. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding-up on the

shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up paid up or which ought to have been paid on the shares held by them respectively. But this Article is to be without prejudice to the rights of the members in respect of shares issued upon special terms and conditions.

188. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them as the liquidators, with the like sanction, shall think fit.

Distribution of assets  
in specie.

### INDEMNITY AND RESPONSIBILITY

189. (1) Subject to the provisions of section 201 of the Act, every Director of the company, Managing Director, Joint Managing Director, Manager, Secretary and other officer or employee of the company shall be indemnified by the company and it shall be the duty of the Directors to pay out of the funds of the company, all losses, costs and expenses (including travelling expenses) which such Director, Managing Director, Joint Managing Director, Manager or Secretary and other officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Managing Director, Joint Managing Director, Manager, Secretary, Officer or servant or in any way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority over all other claims.
- (2) Subject as aforesaid, every Director, Managing Director, Joint Managing Director, Manager or Secretary or other officer or employee of the company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the court.
190. Subject to the provisions of Section 201 of the Act, no Director, Managing Director, Joint Managing Director or other officer of the company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any, loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the Directors or any officer authorised by them in or upon which any of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted

Directors and others  
rights to indemnity.

Not responsible for  
acts of others.

or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his officer or in relation thereto, unless the same happens through his own dishonesty.

We, the several persons, whose names, and addresses are subscribed below are desirous of being formed into a company in pursuance of the 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:

S. No.	Names, Addresses and Description of Subscribers	Signature	Number of Shares taken by cash subscriber	Name, Address and Description of witness.
1.	M/s. B. K. Khanna & Co. (P) Ltd. 14-F, Con. Place, New Delhi – Company	For B. K. Khanna & Co. (P) Ltd.  Sd. Kamal N. Khanna	One Equity Share	Signature of these subscribers attested  Sd. S. K. Vohra, Chartered Accountant, 32, Regal Building, New Delhi.
2.	Gian Dev Arora s/o Mr. Ram Chand 8A/62, Western Extension Area, Pusa Road, New Delhi – Service	Sd. G. D. Arora	One Equity Share	
3.	Kamla Rathour d/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi – Business	Sd. Kamla Rathour	One Equity Share	
4.	Kamal N. Khanna s/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi – Business	Sd. Kamal N. Khanna	One Equity Share	
5.	Bimal K. Khanna s/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi -- Business	Sd. B. K. Khanna	One Equity Share	
6.	Mrs. S. Khanna w/o Late Mr. R. R. Khanna 22, Ratendone Road, New Delhi -- Business	Sd. S. Khanna	One Equity Share	
7.	Shadi Lal Vohra s/o Mr. Kishan Chand Vohra 23-B, Connaught Place, New Delhi – Chartered Accountant	Sd. S. L. Vohra	One Equity Share	
	Total		Seven Equity Shares	

Dated the 27th day of November, 1963