

Memorandum and  
Articles of Association

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**SHRIRAM PISTONS & RINGS LIMITED**  
**(INCORPORATED UNDER THE COMPANIES ACT, 1956)**

- I. The name of the Company is 'SHRIRAM PISTONS & RINGS LIMITED'<sup>1</sup>.
- II. The Registered Office of the Company will be situated in the National Capital Territory of Delhi.
- III. The objects to be pursued by the company on its incorporation are:

(A). MAIN OBJECTS

- (1) To carry on the business of designing, developing, manufacturing, assembling, 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, engine valves and valve tappets, cylinder blocks, cylinder heads, gaskets, hydro dynamic oil seals, dies, cams, jigs, toolings, fixtures, flywheels, ring gears, gear shifter forks, yorks, connecting rods, transmission gears, pivot arms, torque links, bells, arm knuckles, steering knuckles, gear pinions, case components, bearing and bearing plates and all types of gears including spiral bevel, crown wheel and pinion, spites kit assemblies, straight bevel, spur, helical and worm gears, gear boxes, winches, speed drivers, reduction gear boxes, power take-offs and all other components for vehicles and engines, including internal combustion engines operated by any type of fuel or gases, steam engines, compressors, pumps and other machinery; and to engage in the manufacture and supply of any such parts and components for motors, vehicles, trucks, tractors, motor-lorries, motorcycles, cycle cars, scooters, skating boards, mopeds, three wheelers passenger and cargo vehicles, buses, omnibuses, locomotives, tanks, ships, engines, wagons, boats, barges, launches, submarines, aeroplanes, airships, seaplanes, balloons, snowmobiles, aircraft, lawnmower vehicles and handheld lawnmower applications, industrial engines, drones and other vehicles and products of all descriptions, whether propelled or operated by petrol, spirit, steam, oil vapour, gas, coal, electricity, petroleum or any other motive or mechanical power, in India or elsewhere.
- (2) To carry on the business of designing, manufacturing, developing, improving, hiring, buying, selling and dealing in traction motors, permanent magnet synchronous (PMS) and asynchronous motors, axial flux motors, radial flux motors, combination flux motors and all other types of motors, including motors for solar, renewable energy and other applications in electric mobility and powertrain systems; and to engage in the manufacture and trade of motor controllers, DC-DC converters, battery management systems (BMS), e-drive systems, radars, telematics boxes, infotainment systems, high-pressure die casting (HPDC) components, interior and exterior plastic components, lightweight composites, micro motors, windshield wiper motors and washer systems, washer tank systems, blown products, window lift systems, rear view mirrors, stamped parts such as cross car beams, precision molded resin parts, precision metal molds, assembled resin parts, injection molded plastic components, radars, lidars, advanced driver assistance system (ADAS) components, electromagnetic transparency trims and other plastic parts, resin and metal goods; and further to undertake the manufacture and supply of high-precision gears, precision moldings, injection molding, assembly of molded parts, tools, precision engineering tools, molds, sheets, press tools, press parts, plants, equipment and machinery required for or allied to the precision engineering business, sub-assembly manufacturing and related activities including job work for third parties, as well as forming and pressing dies, assembled metal parts, metal gears and other allied articles and things.

---

<sup>1</sup> The change in the name of the Company was effected pursuant to a resolution passed at the Extraordinary General Meeting held on July 15, 1972, and a fresh Certificate of Incorporation under Section 23(1) of the Companies Act, 1956 was issued by the Registrar of Companies, Delhi on October 25, 1972.

- (3) To carry on the business of designing, manufacturing, developing, improving, hiring, buying, selling and dealing in original equipment manufacturer products and also on a jobbing industry basis, including all kinds of machinery, component parts, replacement parts, spare parts, accessories, tools, implements and fittings of every description. This shall cover extrusions, axles and axle assemblies, propeller shafts and universal joints, ornamentation and decorative parts, injection-moulded parts, automotive interior decorative parts, fully automatic temperature controlling parts, thermal cooling, plastic fuel capture systems, EV water pumps, automobile and vehicle ambient lights for both exterior and interior use, day running lights, charging indicators, illuminated front grills, lighted logos and emblems, projection lamps, automotive LED lights, capacitive touch panels, sun visors, intelligent steering systems, head liners, door panels, parcel trays and trimmings or other components of interiors.
- (4) 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.
- (5) 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 and handling equipment, gasoline and oil tanks, screw machine part 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.
- (6) 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.
- (7) 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.
- (8) 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.

- (9) 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.
- (10) 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 on owned by the company or in which the Company may have an interest.

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

- (1) 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.
- (2) 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, 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.
- (3) 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.
- (4) 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.

- (5) 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.
- (6) 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.
- (7) 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.
- (8) 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.
- (9) 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.
- (10) 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.
- (11) 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.
- (12) To advance, deposit with and lend money, securities and property to or receive loans or grants or deposits from the Government.
- (13) 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.
- (14) To undertake financial and commercial obligations, transactions and operations of all kinds.
- (15) 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.

- (16) 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.
- (17) 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.
- (18) 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.
- (19) 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.
- (20) 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.
- (21) 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.
- (22) To apply for, purchase or otherwise acquire and protect, prolong and renew whether in India or elsewhere, any patents, patent rights, brevets, invention, trademarks, 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.
- (23) 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.
- (24) 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.
- (25) 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.
- (26) To procure the registration or incorporation or recognition of the company in or under the laws of any place outside India.

- (27) 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.
- (28) 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.
- (29) To adopt such means of making known the product 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.
- (30) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.
- (31) 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 master, 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 room, 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 fund raised by public or local subscriptions for any purpose whatsoever.
- (32) 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.
- (33) 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.

- (34) To subscribe or guarantee money for any national, charitable, benevolent, political, public, general or useful object or for any exhibition.
- (35) 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 Director 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.
- (36) 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.
- (37) 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.
- (38) 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.

IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

V<sup>2</sup>. 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.

---

<sup>2</sup> Clause V was amended by a resolution passed at the Annual General Meeting held on July 29, 1997, and was further amended pursuant to the order dated March 5, 2019, of the Hon'ble National Company Law Tribunal approving the Scheme of Amalgamation of Shriram Automotive Products Limited with Shriram Pistons & Rings Limited, effective from March 29, 2019.

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 Subscribers	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 the 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. Kamla Rathour	One Equity Share	
	Total		Seven Equity Shares	

Dated the 27<sup>th</sup> day of November, 1963.

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

**ARTICLES OF ASSOCIATION**

**OF**

**SHRIRAM PISTONS & RINGS LIMITED  
(INCORPORATED UNDER THE COMPANIES ACT, 1956)**

**PRELIMINARY**

1. Subject to the regulations hereinafter provided, the regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company, except in so far as they are otherwise expressly incorporated herein below.

**INTERPRETATION**

2. In these regulations, the following words, and expressions, unless repugnant to the subject, shall mean the following:
  - a) **“Act”** means the Companies Act, 2013 and other statutory modifications or re-enactments thereof for the time being in force, including wherever applicable the rules framed thereunder;
  - b) **“Applicable Law”** means laws of India, as applicable including, inter alia, all applicable statutes, enactments, acts of legislature, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, tribunal, Board or court;
  - c) **“Articles”** means the Articles of Association of the Company;
  - d) **“Beneficial owner”** means a person or persons whose name(s) is/are recorded in the Register maintained by a Depository under the Depositories Act, 1996;
  - e) **“Board of Directors”** or **“Board”**, in relation to a Company, means the collective body of the Directors of the Company;
  - f) **“Chairman/Vice Chairman”** means and includes Chairperson/Vice Chairperson for the time being of the Company by whatever name called and appointed in accordance with the Act and these Articles.
  - g) **“Chief Executive Officer”** means an officer of the company, who has been designated as such by it.
  - h) **“Chief Financial Officer”** means a person appointed as the Chief Financial Officer of the company.
  - i) **“Company”** means **Shriram Pistons & Rings Limited**;
  - j) **“Depository”** means a Company formed and registered under the Act and which has been granted a certificate of registration by SEBI under the Securities & Exchange Board of India Act, 1992;
  - k) **“Dividend”** includes interim dividend but excludes bonus Shares.

- l) **“Equity Listing Agreement”** means the agreement entered into with the Exchange for listing of equity Shares and includes where the context so admits any amendment or modification thereof for the time being in force.
- m) **“Exchange”** means the Stock Exchange or Exchanges where the shares of the Company are listed for the time being.
- n) **“Independent Director”** means a person as defined in Section 149(6) of the Act and/or Clause 49 of the Equity Listing. Agreement entered into with the Exchange including any statutory modifications or re-enactments thereto.
- o) **‘in writing’** and **‘written’** includes printing, lithography and any other mode of representing or reproducing words in a visible form;
- p) **“Key Managerial Personnel”** means the persons as defined in Section 2(51) of the Act.
- q) **“Managing Director”** means the managing director or the deputy managing director or the joint managing director for the time being of the Company by whatever name called and appointed in accordance with the Act and these Articles.
- r) **“Member”** or **“Shareholder”** means a Person as defined in Section 2(55) of the Act.
- s) **“Month”** shall mean the calendar month;
- t) Words importing **“persons”** shall, where the context requires, include bodies corporate and companies as well as individuals;
- u) The Company is a Public Company within the meaning of section 2(71) of companies act 2013.  
**Public Company** means a company which  
 (a) is not a private company and  
 (b) has a minimum paid-up share capital as may be prescribed:
- Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles ;
- v) **“Registrar of Companies”** means the registrar of companies of the State in which the Office is for the time being situated.
- w) **“Rules”** means the rules framed by the Ministry of Corporate Affairs (**‘MCA’**) under the Act, as amended from time to time.
- jj) **‘SEBI’** means Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.
- x) **“Seal”** means the Common Seal of the Company;
- y) **“Securities”** means the securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956;
- z) **“Share Capital”** means the capital for the time being raised or authorised to be raised for the purposes of the Company.
- aa) **“Shares”** means the shares into which the capital is divided and interests corresponding to such Share.
- bb) **“The Directors”** means the Directors appointed to the Board of the Company;

3. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

4. Notwithstanding anything contained in these Articles, such provisions and regulations as may be prescribed by the legislature, as compulsory, by later enactments relating to Companies, shall have priority of observance under such circumstances.

5. **Company not to purchase its own shares**

Save as permitted by Section 67 of the Act, the funds of the Company shall not be employed in the purchase of security, Shares in 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. The Articles 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 32.

### **SHARE CAPITAL**

6. The authorized share capital of the Company will be as stated in Clause V of the Memorandum of Association of the Company as altered from time to time.

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.

The Company shall have the power to increase, sub- divide, consolidate, reduce or re-classify the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the provisions of the Companies Act, 2013 and the Applicable Law and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by these regulations.

7. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

8. If the Company shall offer any of its shares to the public for subscription, such offer shall be made in accordance with all the relevant provisions of the Act.

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

10. The Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company.

11. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the

Rules and other applicable laws:

(a) Equity share capital:

- (i) with voting rights; and / or
- (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and

(b) Preference share capital

12. Subject to the provisions of Section 55 of the Act and rules made thereunder, the Company shall have the power to issue preference shares which are or at the option of the Company are liable to be redeemed within such period as provided in the Act from the date of issue and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
13. On the issue of Redeemable Preference Shares the following provisions shall take effect:
- a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares for the purpose of the redemption.
  - b) No such shares shall be redeemed unless they are fully paid.
  - c) The premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share premium account before the shares are redeemed.
  - d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise be available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the share redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.
14. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

## **FURTHER ISSUE OF SHARES**

15. The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to-
- (a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
  - (b) employees under any scheme of employees' stock option; or
  - (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
16. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the provisions of Section 42 and Section 62 of the Act and the Rules.
17. 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.
18. Nothing in the Article 18 and 19 shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company.
- Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.
19. Notwithstanding anything contained in Section 53 of the Act but subject to the provisions of section 54 read with rules made there under with the regulations made by the SEBI, the Company may issue Sweat Equity Shares of a class already issued in accordance with the provisions of the Act and the Regulations made by the SEBI.
20. The Company may issue Debentures or other forms of securities, as defined under the Securities Contracts (Regulation) Act, 1956 and Rules issued thereunder in compliance with the provisions of the Act, SEBI Regulations and other laws, as applicable to the Company.
21. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue provide –
- (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of such sum as may be prescribed for each certificate after the first.
- (ii) Every certificate shall be under the Common Seal of the Company and shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the Company Secretary.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

- (iv) Shares may be registered in the name of any person, company or other body corporate.
22. Every holder of or subscriber to Securities of the Company shall have the option to receive security certificates or to hold the Securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any Securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.
23. The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
24. A duplicate certificate of shares may be issued, if such certificate:
- (i) is proved to have been lost or destroyed; or
  - (ii) has been defaced, mutilated or torn; and is surrendered to the Company.
25. The Company shall be entitled to dematerialize its existing Shares, rematerialize its Shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the regulations framed there under, if any.
26. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of the foregoing articles relating to issue of Certificates shall mutatis mutandis apply to debentures or other securities of the company
27. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
28. (i) The company may exercise the powers of paying commissions conferred under 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 under the Act and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under the Act.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the 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.
29. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding

at least one-third of the issued shares of the class in question.

30. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
31. Subject to the provisions of the Act, any preference shares may be issued on the terms that they are to be redeemed or converted into equity shares on such terms and in such manner as the company before the issue of the shares may, determine.
- 31A. 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 3/4th of preference shares then outstanding.

#### **LIEN**

32. (i) The company shall have a first and paramount lien-
  - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
33. The company may sell in such manner as the Board thinks fit any shares on which the company has a lien:

Provided that no sale shall be made-

  - (a) unless a sum in respect of which the lien exists is presently payable or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
34. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
35. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
36. The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other Securities

including debentures of the Company.

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.

#### CALLS ON SHARES

38. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

39. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

40. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

41. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

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

42. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

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

43. The Board-

a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. However, such advance payment call monies shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared.

c. The Board may at any time repay the amount so advanced upon giving to such member not less than three months' notice in writing.

### **TRANSFER OF SHARES**

44. (i) The instrument of transfer of any Share in the company shall be executed by or on behalf of both the transferor and transferee,
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- (iii) No transfer shall be made to person of unsound mind.
45. The Board may, subject to the right of appeal conferred by the Act decline to register-
- a. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; *or*
  - b. any transfer of shares on which the company has a lien,
46. The Board may decline to recognise any instrument of transfer unless-
- a. the Instrument of transfer is in the form as prescribed in rules made under the Act;
  - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c. the instrument of transfer is in respect of only one class of shares.
  - d. On giving not less than seven days' previous notice in accordance with the Act and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
47. The provision of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

### **TRANSMISSION OF SHARES**

48. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal, representatives where he was a sole holder, shall be the only person recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons.
49. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided. elect, either-

- a) to be registered himself as holder of the share; or
  - b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
50. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
51. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
52. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the company and the company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the company, but the company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.
53. The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.

#### **DEMATERIALIZATION OF SECURITIES**

54. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, 1996 ("Depository Act") and

the rules framed thereunder, if any.

55. Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.
56. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.
57. All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
58. Rights of Depositories & Beneficial Owners:
- (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- (c) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
- (d) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.
59. Register and Index of Beneficial Owners:
- (a) The Company shall cause to be kept a register and index of members with details of shares and debentures held in Physical and dematerialized forms in any media as may be permitted by Law including any form of electronic media.
- (b) The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.
60. Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.
61. Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
62. Transfer of Securities:
- (a) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(b) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

63. Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.
64. Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
65. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.
66. Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.
67. Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

#### **FOREFEITURE OF SHARES**

68. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
69. The notice aforesaid shall-
  - (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
70. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, 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.
71. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

72. The option or right to call of shares shall not be given to any person except with the sanction of the Company in the General Meeting.
73. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
74. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
75. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF CAPITAL**

76. Subject to provisions of the Act the company may, from time to time, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
77. Subject to the provisions of the Act, the company may, from time to time-
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) 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.
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.
- (e) Subject to the provisions of Section 66 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.

78. Where shares are converted into stock -

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

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

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

79. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,-

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

#### **CAPITALISATION OF PROFITS**

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

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

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

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

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

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

c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

- d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
81. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - b. generally, do all acts and things required to give effect thereto.
- (ii) The Board shall have power-
- a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, 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.
  - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### **VARIATION OF RIGHTS OF SHAREHOLDERS**

82. The rights, privileges or conditions attached to any class of shares for the time being forming part of the share capital of the Company may be varied, modified or abrogated, whether or not the Company is being wound up, strictly in accordance with the provisions of Section 48 of the Companies Act, 2013 and the rules made thereunder, and subject to applicable provisions of the Securities and Exchange Board of India Act, 1992, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the listing agreements entered into with the stock exchanges.
83. Such variation shall be effected only with the consent in writing of the holders of not less than three-fourths (3/4th) of the issued shares of that class, or with the approval of a Special Resolution passed at a separate meeting of the holders of the shares of that class, conducted in compliance with applicable laws and regulations.
84. The Company shall ensure that adequate disclosures are made to the stock exchanges and shareholders and that all procedural and regulatory approvals, including filings with the Registrar of Companies and stock exchanges, are duly completed.
85. Any variation of shareholders' rights shall also be subject to prior or post approvals, disclosures, and compliance requirements, including shareholder approval through e-voting, as may be prescribed under the SEBI (LODR) Regulations, 2015, and circulars issued thereunder.

## **SHARE WARRANTS**

86. Share warrants may be issued as per the provisions of applicable Law.

87. Power to issue share warrants:

The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the persons registered as holder of the share, and authenticated, by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

88. Deposit of share warrant:

(a) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.

(b) Not more than one person shall be recognised as depositor of the share warrant.

(c) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

89. Privileges and disabilities of the holders of share warrant:

(a) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and shall be a Member of the Company.

90. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruct.

## **REDUCTION OF CAPITAL**

91. The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law.

## **BUY-BACK OF SHARES**

92. Notwithstanding anything contained in these articles but subject to the provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

## **GENERAL MEETINGS**

93. Annual General Meeting:

(a) In accordance with the provisions of Section 96 of the Act, the Company shall in each financial year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings.

(b) Subject to the provisions of the Act, an Annual General Meeting of the Members of the Company shall be held every year within six months after the expiry of each financial year, provided that not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next.

(c) Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

(d) Every Annual General Meeting shall be called during business hours, that is, between such time as prescribed in the Act, on any day that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated

94. Extra Ordinary General Meetings

(a) All General Meetings other than Annual General Meeting shall be called Extra ordinary General Meeting.

(b) The Board may, whenever it thinks fit, call an Extra ordinary General Meeting.

(c) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

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

95. (i) No business shall be transacted at any general meeting unless a quorum of member is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act.

96. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

97. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

98. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

99. On any business at any general meeting in the case of an equality of votes, whether on a show of hands, electronically or on a poll, the Chairman of the meeting shall have second or casting vote.

#### **ADJOURNMENT OF MEETING**

100. (i) 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.

(ii) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(iii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iv) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

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

## **VOTING RIGHTS**

101. 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 113 of the Act to represent such member company at a meeting of the Company, shall not, by reason of such appointment, be deemed to be a proxy, and the 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.
102. Subject to any rights or restrictions for the time being attached to any class or classes of shares-
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll or through voting by electronic means, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
103. A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company
104. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
105. 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 member 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 share 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 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.

106. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll or through voting by electronic means, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy.
107. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
108. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
109. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  
  
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **PROXY**

110. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for taking of the poll; and in default the instrument of proxy shall not be treated as valid.
111. An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act.
112. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

#### **MINUTES OF MEETINGS**

113. (a) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept

for that purpose with their pages consecutively numbered.

(b) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting –

- i) is, or could reasonably be regarded, as defamatory of any person; or
- ii) is irrelevant or immaterial to the proceedings; or
- iii) is detrimental to the interests of the Company.

(c) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

(d) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

114. Minutes Book:

(a) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

(i) be kept at the registered office of the Company or decided by the Board of Director; and

ii) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all Working Days other than Saturdays.

(b) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

115. The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

## **REGISTERS**

116. (a) The Company shall keep and maintain at its registered office all statutory registers as may be prescribed for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

(b) The registers and copies of annual return shall be open for inspection during 10.00 a.m. to 12.00 noon such business days as the Act requires them to be open for inspection at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

117. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

## **BOARD OF DIRECTORS**

118. Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three and not more than fifteen.  
Provided that the Company may appoint more than fifteen directors after passing a special resolution of members. The composition of the Board will be in consonance with the Act and the Equity Listing Agreement.
119. The first Directors of the Company are:
1. Mr. Kamal N. Khanna
  2. Mr. Bimal K. Khanna
120. Subject to provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.
121. Subject to provision of the Act, The Company at the annual General Meeting at which a Director retires by rotation in manner prescribed may fill up the vacated office by appointing the retiring Director or some other person there to.
122. The same individual may, at the same time, be appointed as Chairman as well as Managing Director or Chief Executive Officer of the Company.
123. (i) Remuneration of Directors:
- (a) Subject to the applicable provisions of the Act, the Rules including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
  - (b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board or any Committee thereof attended by him.
  - (c) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.
  - (d) If any Director shall be called upon to perform extra services or to make any special exertion or efforts for any of the purposes of the Company or to give special attention to the business of the Company, which expression, shall include work done as a member of a Committee of the Board, the Board may, subject to the provisions of Sections 197 and 188 of the Act, remunerate the Director so doing, either by a fixed sum or otherwise; and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
124. The Board may pay all expenses incurred in getting up and registering the company.

125. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
126. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
127. Every director present at any meeting of the Board or of a committee thereof shall sign against his name in a book to be kept for that purpose.
128. (i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next Annual General Meeting of the company but shall be eligible for appointment by the company as a Director at that meeting subject to the provisions of the Act.
129. (i) The Board may appoint an Alternate Director to act for a Director (herein after in this Article called "the Original Director") during his absence for a period not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.
- (ii) An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when Original Director returns to India.
- (iii) If the term of office of the Original Director is determined before he return to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not the Alternate Director.
130. (i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.
- (ii) The Director so appointed shall hold office only upto the date till which the Director in whose place he is appointed would have held office if it had not been vacated.
131. Independent Directors: The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law.
132. Disqualification and Vacation of Office by a Director:
- (a) A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act.
- (b) Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.
- (c) Subject to the applicable provisions of the Act, the resignation of a director shall take

effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

(d) The Company may, subject to provision of Section 169 of the Act, by Ordinary Resolution of which Special Notice has been given, remove any Director not being a director appointed by the Tribunal under section 242, 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, be filled by the appointment of another director in his place at the meeting at which he is removed. 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 this Act.

133. Related Party Transactions and Disclosure of Interest: The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

#### **NOMINEE DIRECTOR**

134. If at any time the Company issues debentures or bonds or such other instruments or avail any borrowings from bank/financial institution, the debenture trustee and/or the debenture holders and /or the lenders shall, upon occurrence of any event of default (as per the terms of the debenture/loan documents entered into by the Company) or as provided under applicable law, have the right to appoint Director (Nominee Director to the Board of the Company, and to remove from office such Nominee Director so appointed and to appoint another in his/her place or in the place a Director so appointed who resigns or otherwise vacates his office, in accordance with provisions of the Companies Act 2013, applicable law, regulatory or listing requirements and terms and conditions of such debenture/loan documents.

Such Nominee Director may also be appointed as a member of any committee of the Board, which decides the matters pertaining to the interest of the debenture trustee and/ or the lender, and shall not be liable for any act or omission of the Company.

#### **MANAGEMENT UNDER GENERAL CONTROL OF DIRECTORS**

135. (i) The general control, management and supervision of the Company shall vest in the Board and the Board may exercise all such powers and do all such acts and things as the Company is by its Memorandum of Association or otherwise authorised except as are required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act, and of these presents and to any regulations not being inconsistent with these presents from time to time made by the Company in General Meeting, provided that no such regulation shall invalidate any prior acts of the Directors which would have been valid if such regulation had not been made.

(ii) Subject to the provisions of the Act, the Director may borrow, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by the issue of bonds, perpetual or redeemable, debenture or debenture-stock or any mortgage or charge or other security on the undertaking of the whole of any part of the property of the Company (both present and future) including its uncalled capital for the time being.

(iii) Subject to the provisions of the Act, the Company may enter into any contract, arrangement or agreement in which a Director or Directors of the Company are, in any manner, interested.

(iv) A Director, Managing Director, officer or employee of the Company may be or become a Director, of any company promoted by the Company or in which it may be interested as a vendor, member or otherwise, and no such Director shall be accountable for any benefits received as Director or member of such company except to the extent and under the circumstances as may be provided in the Act.

136. A Director may resign from his office upon giving notice in writing to the Company.

### **BORROWING POWERS**

137. (a) Subject to the provisions of the Act and the Rules, the Board of directors may, from time to time at its discretion by a resolution passed at a Meeting of the Board, accept deposits from Members, either in advance or calls or otherwise, and generally raise or borrow from the directors or from elsewhere or secure the payment of any sum or sum of moneys for the purpose of the Company not exceeding the aggregate of the Paid-up capital of the Company and its reserves.

(b) Power of the Board to borrow Provided, however, where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of paid-up capital and free reserves as defined under the Act, the Directors shall not borrow such monies without the consent of the Company in general meeting by way of resolution prescribed under the Act.

### **PROCEEDINGS OF THE BOARD**

138. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A Director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Quorum of board meeting:

(a) Subject to the provisions of Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is greater.

(b) The participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

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

139. 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.

140. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.
141. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
142. (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
143. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- (iii) The quorum for a meeting of the Committee shall be two members present in person or by audio-visual means.
- (iv) The meetings and proceedings of any such Committee shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any applicable law.
144. (i) A committee may elect a chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
145. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
146. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
147. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, whether manually or electronically, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened

and held.

## **MANAGING DIRECTORS**

148. (i) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Whole Time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions, as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/Whole Time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be way of monthly remuneration and/ or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.
- (ii) 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.
- (iii) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as “Joint Managing Director” or “Joint Managing Directors” or “Deputy Managing Directors” as the case may be.
- (iv) Subject to the provisions of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in the General Meeting and of the Central Government, if required.

## **LOCAL MANAGEMENT**

149. Subject to the provisions of the Act, the following regulations shall have effect
- (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.
  - (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 179 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.
  - (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 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-Authority may contain such provisions for the protection or convenience of persons dealing with such Attorneys as the Board thinks fit.

- (4) 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 88 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 88 of the Act.

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

150. Subject to the provisions of the Act, -

- a. A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- b. A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.
- c. The remuneration of Manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.
- d. Subject to the provisions of the Act, the Board of Directors, may from time to time entrust and confer upon a Manager for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary all or any of such powers.

151. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

152. Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

#### **THE SEAL**

153. The Board may provide for the Seal of the Company to be affixed on such document as may be decided by Board or as required under any law. The Seal shall be kept in the safe custody of such officer of the Company as the Board may decide.

154. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of any two directors or any one director and the company secretary or such other person as the Board may appoint for the purpose; and those directors and the company secretary or other

person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence

#### **DIVIDENDS AND RESERVE**

155. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, but the Company in a general meeting may declare a lesser dividend.
156. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares as appear to it to be justified by the profits of the company.
157. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) 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 fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
158. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) 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.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
159. 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.
160. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (iii) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for any payment which is lost or delayed. The Company will be deemed to have made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

161. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company.
162. 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.
163. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
164. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
165. The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
166. No dividend shall bear interest against the Company.
167. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by the law and the Company shall comply with the provisions of the Act in respect of unpaid or unclaimed dividend.

#### **ACCOUNTS AND AUDIT**

168. Financials Statements to be laid in Annual General Meeting: The Directors shall, as required by the Act, cause to be prepared and laid before the Company in Annual General Meeting to be held as provided in these Articles hereof such Profit and Loss Account, Balance Sheet and Directors' and Auditors' Reports as are referred to in those provisions.
169. 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.
170. Accounts to be Audited: The financial statements, books of accounts and other relevant books and papers of the Company shall be examined and audited in accordance with the provisions of the Act and the Rules.
171. (i) 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 accounts and books of the company, or any of them, shall be open to the inspection of members not being Directors.  
  
(ii) 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.

#### **SERVICE OF NOTICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

172. If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

#### **NOTICE BY ADVERTISEMENT**

173. Subject to the applicable provisions of the Act, any document required to be served or sent by the

Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised once in one or more newspaper circulating in the district in which the Office is situated.

### **SECRECY**

174. 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.

### **WINDING UP**

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

### **INDEMNITY AND INSURANCE**

176. (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, chief executive officer, chief financial officer, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
- (b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court. 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

(c) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

#### **AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

177. The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of the Companies Act, 2013, as may be applicable from time-to-time.

#### **GENERAL POWER**

178. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is authorised by its Articles, then in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.