

MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF  
**ASTEC LIFESCIENCES  
LIMITED**

**Certified True Copy  
For Astec LifeSciences Limited**

**TEJASHREE  
ROHAN  
PRADHAN**

**Tejashree Pradhan  
Company Secretary & Compliance Officer**

Digitally signed by TEJASHREE ROHAN PRADHAN  
DN: cn=Tejashree Rohan Pradhan, o=Astec LifeSciences Limited, email=tejashree.rohan.pradhan@astec-lifesciences.com, c=IN  
c=IN, o=Astec LifeSciences Limited, ou=Compliance, email=tejashree.rohan.pradhan@astec-lifesciences.com  
b4b21810d8811c4a70664882a7, cn=Personal, ou=TEJASHREE ROHAN PRADHAN  
Date: 2023.06.08 17:58:07 +0530



प्रारूप ० आई ० आर ०  
Form I. R.

निगमन का प्रमाण-पत्र

## CERTIFICATE OF INCORPORATION

ता. .... का सं. ....  
No. 11-76236... of 1994...

मैं एतद्वारा प्रमाणित करता हूँ कि आज .....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निर्गमित की गई है और यह  
कम्पनी परिसीमित है।

I hereby certify that URSHILA TRADERS PRIVATE LIMITED

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)  
and that the Company is limited.

मेरे हस्ताक्षर से आज ता. .... को दिया गया।

Given under my hand at ... BOMBAY ... this TWENTYFIFTH ...  
day of JANUARY ... One thousand nine hundred and NINETEEN

(S.R.V.V. SATYANARAYANA)

कम्पनियों का रजिस्ट्रार

ADDL. Registrar of Companies  
Maharashtra

**Certified True Copy  
For Astec LifeSciences Limited**

TEJASHREE ROHAN  
PRADHAN

**Tejashree Pradhan  
Company Secretary & Compliance Officer**

No. 11- 76236

**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME**

IN THE OFFICE OF THIS REGISTRAR OF COMPANIES, MAHARASHTRA,  
BOMBAY.

In the matter of URSHILA TRADERS PRIVATE LIMITED

I hereby approve and signify in writing under Section  
21 of the Companies Act, 1956 (Act of 1956) read with the  
Government of India, Department of Company Affairs, Notification  
No. G.S.R. 507E dated the 24th June 1985 the change of name  
of the Company  
from URSHILA TRADERS PRIVATE LIMITED  
to ASTEC CHEMICALS PRIVATE LIMITED

and I hereby certify that URSHILA TRADERS PRIVATE LIMITED

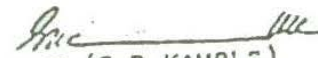
which was originally incorporated on  
TWENTYFIFTH day of JANUARY, 1994 under the  
Companies Act, 1956 and under the name URSHILA TRADERS  
PRIVATE LIMITED having

duly passed the necessary resolution in terms of section 21/~~21(1)(a)~~  
~~21(1)(a)~~ of the Companies Act, 1956 the name of the said  
Company is this day changed to ASTEC CHEMICALS PRIVATE LIMITED

and this  
certificate is issued pursuant to Section 23(1) of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS NINETEENTH  
Day of AUGUST One Thousand nine hundred ninety four.



  
(S.P. KAMBLE)

ADDL. REGISTRAR OF COMPANIES  
MAHARASHTRA, BOMBAY

**Certified True Copy  
For Astec LifeSciences Limited**

TEJASHREE ROHAN  
PRADHAN

**Tejashree Pradhan  
Company Secretary & Compliance Officer**



FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
MUMBAI.

In the matter of ASTEC CHEMICALS PRIVATE LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from ASTEC CHEMICALS PRIVATE LIMITED

to Astec LifeSciences Private Limited

and I hereby certify that: **ASTEC CHEMICALS PRIVATE LIMITED**

which was originally incorporated on 25th  
January 1994  
day of under the Companies Act, 1956 and under the name

URSHILA TRADERS PRIVATE LIMITED having  
duly passed the necessary resolution in terms of section 21/22/(1)  
(a)/22(1)(b) of the Companies Act, 1956 the name of the said  
Company is this day changed to

Astec LifeSciences Private Limited and this  
certificate is issued pursuant to Section 23(1) of the said Act/

( Section 18(1) of the Companies Act, 1956 )

**CERTIFICATE OF REGISTRATION OF  
SPECIAL RESOLUTION PASSED FOR  
ALTERATION OF OBJECTS**

M/s. ASTEC CHEMICALS PRIVATE LIMITED

having by Special Resolution passed on 28th JUNE 2002  
altered the provisions of its Memorandum of Association  
with respect to its objects, and a copy of the said resolution  
having been filed with this office on 3rd JULY 2002

I hereby certify that the Special Resolution passed on 28/06/2002  
\_\_\_\_\_ together with the printed copy of the Memorandum  
of Association, as altered, has this days been registered.

Given under my hand at MUMBAI  
this 11th day of JULY 2002

\*\*\*\*\*



DY. (B.CHANDRA )  
 ASSTT/ADDL/REGISTRAR OF COMPANIES,  
 MAHARASHTRA, MUMBAI.

**Certified True Copy**  
**For Astec LifeSciences Limited**

TEJASHREE ROHAN  
PRADHAN

**Tejashree Pradhan**  
Company Secretary & Compliance Officer



No. 11 : 76236

## CERTIFICATE OF CHANGE OF NAME UNDER THE COMPANIES ACT, 1956.

In the matter of Astec LifeSciences Private Limited

I do hereby certify that pursuant to the provisions of  
section 23 of Companies Act, 1956 and the Special  
Resolution passed under Sec. 31/44 of the Companies Act  
by the Company at its ~~Annual~~ Extra-Ordinary General  
Meeting held on 1st April 2006

the name of " Astec LifeSciences Private Limited

has this day been changed to "Astec LifeSciences Limited

and that the said company has been duly incorporated as a  
company under the provisions of the said Act.

Dated this 27th day of APRIL  
one thousand nine hundred and ninety 2006

*(Signature)*

(S.P. CHAKRA)

Asstt. Registrar of Companies  
Maharashtra Mumbai.



**Certified True Copy  
For Astec LifeSciences Limited**

TEJASHREE ROHAN  
PRADHAN

**Tejashree Pradhan  
Company Secretary & Compliance Officer**

New set of Memorandum of Association was adopted at the Annual General Meeting of the Members of the Company held on 23<sup>th</sup> September, 2014

**THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF**

**ASTEC LIFESCIENCES LIMITED**

**Certified True Copy  
For Astec LifeSciences Limited**

**TEJASHREE ROHAN  
PRADHAN**

**Tejashree Pradhan  
Company Secretary & Compliance Officer**

- I. The name of the Company is ASTEC LIFESCIENCES LIMITED.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III **(A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**

1. To carry on the business of manufactures, refiners, dealers, agents, sellers, purchasers, importers, exporters of chemicals, pharmaceutical goods including acids, salts, alkalis, anti bio-chemicals and other pharmaceutical, medicinal, agro chemicals, pesticides, chemical preparations / chemical formulations including bio-chemicals, articles, compounds, dyes, cosmetics, paints, pigments, resins, synthetics and its by products.

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

2. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its Capital including brokerage and commission for obtaining applications, for or taking placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
3. To amalgamate, enter into partnership or into arrangements for sharing profits, union of interests, co-operation, joint venture or reciprocal concession, or for limiting competition with any individual, person or company having similar objects.
4. To undertake or participate in the formation, management, supervision or control of the business operations of any other company, firm or person having similar objects.
5. To receive money on deposit or loan and borrow or raise in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including it uncalled

capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any other person or Company as the case may be but shall not carry on the business of banking as defined in the Banking Regulation Act, 1949, subject to Section 74 of the Companies Act, 2013 and R.B.I. Directives.

6. To purchase, acquire or take over the whole or any part of the business, profession, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any person, firm or Company having similar objects and upon such terms & subject to such stipulations and conditions and at or for such price or consideration (if any) in money, shares, debentures, money's worth or otherwise as may be deemed fit.
7. To enter into any arrangements with any Governments or authorities that may seem conducive to the attainment of the Company's object or any of them and to obtain from any such Government or authority any rights, privileges, licences and concessions, which the Company may consider necessary or desirable to obtain, and to carry out, exercise, use or comply with any such arrangements, rights, privileges or concessions.
8. To employ experts, to investigate and examine into the conditions, prospects, value, character, and circumstances of business concerns and undertakings having similar objects.
9. To sell, mortgage, exchange, grant, leases, licences, options, easements and other rights in respect of improve, manage, develop and turn to account or deal with in any manner the whole of the property, assets, investments, undertakings, rights and effects of the company or any part thereof for such consideration as may be thought fit, including shares, debentures or securities of any other Company, whether partly paid up or fully paid up.
10. To establish or promote or concur in establishing or promoting any Company or Companies having similar objects for the purpose of acquiring all or any of the property, rights and liabilities of the Company.
11. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes and other negotiable or transferable instruments.
12. To procure the recognition of the Company under the laws and regulations of any other Country and to do all acts necessary for carrying on business or activity of the Company in any foreign country.
13. To donate or gift, in cash or kind, for any national charitable, benevolent, public purposes or to any institution, club, society, research association, fund, university, college or any other person or body.
14. To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise, and to exercise carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege, which any Government



or authority or any Corporation or other public body may be empowered to grant, and to pay for, aid in, and contribute towards carrying on the same into effect.

15. To apply for, promote, and obtain any statute, order, regulation, or other authorization or enactment and to oppose any bills, proceedings or applications.
16. To apply for, purchase or otherwise acquire any patents, patent rights, copyrights, trade marks, formulae, licences, concessions and the like or any secret or other information.
17. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons, who are or were at any time in the employment or service of the Company, and the wives, widows, families and dependants of any such persons.
18. To open bank accounts of all kinds including overdraft accounts and to operate the same.
19. To distribute among the members of the Company in specie or kind any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of the winding up of the Company, subject to the Provision of the Companies Act, 2013.
20. To invest and deal with the surplus moneys of the Company not immediately required in any manner.
21. To adopt such means of making known and advertising the business of the Company as may seem expedient.
22. To accept gifts, bequests, devices and donations from members and other of money, assets and properties of any kinds.
23. To become members of other bodies of persons and associations, including societies, clubs and companies limited by guarantee, whether formed for profit or non-profit activities.
24. To carry out the objects of the Company and do things in any part of the world either as principal, agents, contractors or trustee or otherwise and by or through trustees or agents or otherwise and either alone or in conjunction with others.

**IV.** The liability of the Members is limited.

**\*V.** The Authorized Share Capital of the Company is Rs.25,00,00,000/- (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each.

\* As amended by Special Resolution passed in Annual General Meeting held on 23/09/2014.

- VI.** We, the several persons, whose names, addresses and descriptions are hereinafter subscribed below, are desirous of being formed into a Company in pursuance of this MEMORANDUM OF ASSOCIATION and we respectively, agree to take the number of shares in the Capital of the Company set opposite to our respective names :

Names, Address, Description and Occupation of Subscribers	No. of Equity Shares taken by each subscriber	Signature of Subscriber	Signature of Witness, and his Name, Address, Description and Occupation
1. <b>REENA BAGAI</b> W/o. SUKHINDER BAGAI 93, SEA LORD "B" CUFFE PARADE BOMBAY-400 005 (BUSINESS)	1 (One only)	SD/-	WITNESS TO ALL SD/- (GOPALAKRISHNA SALIAN) S/o. SOMAYA SALIAN A-1 / 2, VEER HANUMAN NAGAR, KANDARPADA, DAHISAR (WEST), BOMBAY – 400 068. (SERVICE)
2. <b>MRS. AVITA FERNANDES</b> W/o. THOMAS S. FERNANDES "AVE", PLOT 188 ROAD 10-A, WADALA BOMBAY-400 031 (SERVICE)	1 (One only)	SD/-	
<b>TOTAL</b>	2 (Two only)		

DATED AT BOMBAY THIS 10TH DAY OF JANUARY, 1994

**Certified True Copy  
For Astec LifeSciences Limited**

**TEJASHREE ROHAN  
PRADHAN**

Digitally signed by Tejashree Rohan Pradhan DN: cn=Tejashree Rohan Pradhan, o=Astec LifeSciences Limited, email=tejashree.pradhan@astec.co.in, c=IN

**Tejashree Pradhan  
Company Secretary & Compliance Officer**

New set of Articles of Association was adopted by way of passing Special Resolution through Postal Ballot on 26<sup>th</sup> November, 2015

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**ASTEC LIFESCIENCES LIMITED**

**Certified True Copy**  
**For Astec LifeSciences Limited**

**TEJASHREE ROHAN**  
**PRADHAN**

**Tejashree Pradhan**  
**Company Secretary & Compliance Officer**

Digitally signed by Tejashree Rohan Pradhan, DN: cn=Tejashree Rohan Pradhan, o=Astec LifeSciences Limited, email=tejashree.pradhan@astec-lifesciences.com, c=IN, date=2015.11.26 15:21:45 +05'30'

**PRELIMINARY**

1. The regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 (hereinafter referred to as Table 'F' shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provisions in these regulations.

**INTERPRETATION**

**2. Interpretation clause :**

"These Presents" or "Regulations" means this articles of association as originally framed or altered from time to time and includes the Memorandum of Association where the context so requires.

In the interpretation of these Articles, unless repugnant to the subject or context :-

- (1) "The Company" or "This Company": "The Company" or "This Company" means ASTEC LIFESCIENCES LIMITED.
- (2) "The Act": "The Act" means the Companies Act, 2013 or the Companies Act 1956, (as applicable) together with the rules, regulations and notifications issued thereunder including any statutory modification or re-enactment thereof.
- (3) "Articles" means the articles of association of the Company as may be amended or substituted from time to time;
- (4) "Affiliates" with respect to any person at any time, means any person, which, at that time, directly or indirectly, Controls, is Controlled by, or is under common Control with the first named person and, in relation to a natural person, shall mean entities Controlled by such natural person and the relatives of such natural person and, in relation to the Promoter Group, shall include all promoters of the Company, and their relatives;
- (5) "Board of Directors" or "Board", in relation to a company, means the collective body of the directors of the company;



- (6) "Books of account" includes records maintained in respect of—
  - (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;
  - (ii) all sales and purchases of goods and services by the company;
  - (iii) the assets and liabilities of the company; and
  - (iv) the items of cost as may be prescribed under section 148 in the case of a company which belongs to any class of companies specified under that section;
- (7) "Business Day" means a day (other than a Saturday or a Sunday) on which banks are generally open for business in Mumbai, India;
- (8) "Control" including with its grammatical variations such as "Controlled" by, that "Controls" and under common Control with, when used with respect to any person, means and include the possession, directly or indirectly, acting alone or together with another person, of the ability to direct the management and policies of such person, whether: (i) through the ownership of 50% or more of the voting rights of such person; (ii) through the power to appoint half or more than half of the members of the board of such person; or (iii) pursuant to applicable law or contractual arrangements;
- (9) "Depository": means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996 (22 of 1996);
- (10) "Debenture": "Debenture" includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not;
- (11) "Deposit" includes any receipt of money by way of deposit or loan or in any other form by a company, but does not include such categories of amount as may be prescribed in consultation with the Reserve Bank of India;
- (12) "Directors": "Director" means a director appointed to the Board of the Company.
- (13) "Dividend": "Dividend" includes interim dividend.
- (14) "Document" includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form;
- (15) "Godrej" shall mean Godrej Agrovet Limited, a company registered, incorporated and existing under the laws of India with corporate identification number U15410MH1991PLC135359 with its registered office at Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079
- (16) "Independent director" means an independent director referred to in sub-section (5) of section 149;
- (17) "Interested director" means a director who is in any way, whether by himself or through any of his relatives or firm, body corporate or other association of individuals in which he or any of his relatives is a partner, director or a member;

interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of a company;

- (18) "Issued capital" means such capital as the company issues from time to time for subscription;
- (19) "Member": "Member" of the Company means—
  - (i) the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
  - (ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the Company;
  - (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;
- (20) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation;
- (21) "Annual General Meeting" : "Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 96 of the Act.
- (22) "Officer" includes any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act;
- (23) "Promoter Group" collectively means Ashok Vishwanath Hiremath, P.L. Tiwari, Suresh Hiremath, Altimax Financial Services Private Limited, Chitra Ashok Hiremath, Supriya Ashok Hiremath, Ashok Vishwanath Hiremath HUF and Laxmikant Ramprasad Kabra and shall be deemed to mean and include his/their Affiliates, heirs, executors, administrators and permitted assigns;
- (24) "The Registrar" : "Registrar" means a Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar or an Assistant Registrar, having the duty of registering companies and discharging various functions under this Act;
- (25) "SEBI" : "SEBI" means the Securities and Exchange Board of India constituted and established under section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- (26) "Security" : "Security" means the Company's equity capital, membership interests, or other ownership interests including without limitation preference shares, equity shares, convertible securities or instruments of any kind of the Company, and rights, options, warrants to purchase equity shares or preference shares of the Company, and securities of any type whatsoever that are, or may become convertible into or exchangeable directly or indirectly for equity shares, preference shares or otherwise having equity characteristics

- (27) "Share" shall mean equity share in the Share Capital of the Company having a face value of INR 10/- (Rupees ten only) and "Share Capital" shall mean the equity share capital of the Company on a fully diluted basis;
- (28) "Ordinary Resolution" and "Special Resolution": "Ordinary Resolution" and "Special Resolution" shall have the meaning assigned thereto by Section 114 of the Act.
- (29) "Year" and "Financial Year": "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.
- (30) "Seal" means the common seal of the Company.
- (31) "Voting right" means the right of a member of a company to vote in any meeting of the company or by means of postal ballot;
- (32) "Whole-time director" includes a director in the whole-time employment of the company;

The marginal notes used in these Articles shall not affect the construction hereof.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning as in these Articles.

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

#### **3. Amount of Share Capital:**

- (a) The Authorized Share Capital of the Company will be so much as is stated in the Memorandum of Association of the Company from time to time or at any time subject to the provisions of this Articles of Association of the Company and the provisions of the Act, shares whether forming the part of original Capital or any increase Capital of the Company may be issued either with the sanction of the Company in general meeting or the Board of Director as the case may be sanctioning the issue, be directed and no such direction be given and in all cases as the Board shall determine and in particular of such shares may be issued with preferential or qualified right to the dividend and in distribution of assets of the Company without prejudice however to any right or privileges already conferred on any shareholders of the shares or class of shares for the time being issued by the Company with power to increase or reduce the Capital.
- (b) The paid up Capital of the Company shall be minimum of Rs. 5,00,000/- (Rupees Five Lakhs Only).

#### **4. Increase in the Capital by Company & how carried into effect:**

The Company in General Meeting may, from time to time, increase the Capital by the creation of new shares or alteration of present share capital structure such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe.



**5. Issue of Shares:**

Subject to the provisions of the Act and these Articles, any shares of the original or increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine and in particular such shares may be Issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meetings of the Company in conformity with Section 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

**6. New Capital Same as existing Capital:**

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

**7. Equity Share Capital with Differential Rights:**

Subject to the provisions of Section 43 of the Act and applicable rules, guidelines and regulations, the Company shall have the power to issue equity shares with differential right as to dividend, voting or otherwise.

**8. Redeemable Preference Shares:**

Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issue on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine

**9. Provisions to apply on issue of redeemable preference shares:**

On the issue of Redeemable Preference Shares under the provisions of Article 8 hereof the following provisions shall take effect :-

- (a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (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 Securities Premium Account before the shares are redeemed;
- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available

for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act, relating to the reduction of the share Capital of the Company shall except as provided in Section 55 and as per other applicable provisions of the Act, apply as if the Capital Redemption Reserve Account were paid up share Capital of the Company.

**10. Reduction of Capital :**

The Company may (subject to the provision of Sections 52, 55, 66 of the Act from time to time by Special Resolution, reduce its Capital and any Capital Redemption Reserve Account or Securities Premium Account in any manner for the time being authorized by law, and in particular Capital may be paid off on the, footing that it may be called upon again or otherwise. This article is not to derogate from any power the Company would have if it were omitted.

**11. Buy Back of Equity Shares :**

Notwithstanding anything contained in these articles but subject to the provisions of section 68 to 70 and any other applicable 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.

**12. Sub-Division, Consolidation & Cancellation of shares :**

Subject to the provisions of section 61, the Company may, by ordinary resolution, -

- (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;
- (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.

**13. Modification of right :**

- (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 section 48, 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.

## **SHARES AND CERTIFICATES**

### **14. Register and index of members :**

The Company shall cause to be kept a Register and Index of Members in accordance with Section 88 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or Country. In case of shares held in Dematerialised format, the Index and Register of Members shall mean the Register of Beneficial Owners maintained in the books of the Depository.

### **15. Numbering of Shares**

Pursuant to the provisions of Section 45 of the Act, every share shall be distinguished by its distinctive number. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Provided that nothing in this Article shall apply to the shares held by a person whose name is entered as holder of beneficial interest in such share in the records of a depository.

### **16. Further issue of Capital :**

Where at any time the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered:

- a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions:
  - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
  - (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
  - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;
- (b) Notwithstanding anything contained in the preceding sub-clause, the Company may
  - (i) by a Special Resolution; or
  - (ii) where no such Special Resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal



contained in the Resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who being; entitled to do so, vote in person, or where proxies are allowed by proxy, exceed the votes, if any, cast against the proposal by Members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company, offer further shares to any person or persons, and such person or persons may or may not include the persons who, at the date of the offer, are the holders of the Equity Shares of the Company.

- (c) Notwithstanding anything contained in sub-clause (1) above, but subject, however, to Section 62(3) of the Act, 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 issued or loans into shares, or to subscribe for shares in the Company.
- (d) Subject to the provisions of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 ("SEBI Guidelines") as may be amended from time to time and with the consent of the members of the Company by way of Special Resolution, the Board of Directors of the Company or a committee thereof duly authorized by the Board of Directors may issue and allot Warrants Convertible into Equity Shares at such rate, terms and conditions to the existing shareholders, general public, or on preferential basis to the promoters, directors, bodies corporate, banks, financial institutions, OCBs, NRIs, and FIIs or such other persons from time to time, as the Board may think fit. The Board of Directors of the Company shall be authorized to make provisions as to allotment and issue of warrants and in particular may determine to whom the same shall be allotted and issue of Warrants and in particular may determine to whom the same shall be offered whether at par or at premium subject to the provisions of the Companies Act, 2013 and all the applicable provisions of the SEBI Guidelines.
- (e) The Company may by special resolution authorize the Board to convert warrants in to the Equity Shares of the Company at such rates (including premium), terms and conditions as may be determined by the Board and in accordance with the SEBI Guidelines. The Stock Exchanges where the shares of the Company are listed, Central Government or other authorities either in one or more tranches or otherwise as per discretion of the Board.

#### **17. Shares under control of Directors :**

Subject to the provisions of these Articles and of the Act the shares (including any shares forming part of any increased Capital of the Company) shall be under the control of the Directors; who may issue, allot or otherwise dispose of the same to such persons in such proportion on such terms and conditions and either at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Section 52 and 53 of the Act) at a premium or at par and such option being exercisable for such time and for such consideration as the Directors think fit. The Board shall cause to be filed the Returns as to allotment provided for in Section 39 of the Act.

**18. Acceptance of Shares :**

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

**19. Deposit & Call etc. to be debt payable immediately :**

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

**20. Liability of Members :**

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

**21. Shares Certificates :**

- (a) Every Member or allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its Letter of Allotment or its fractional coupons of requisite value save in cases of issues against Letters of Acceptance or of Renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the Seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.
- (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 46 of the Act.
- (c) A director shall be deemed to have signed the share certificate if his signature is printed thereon as a facsimile signature by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, or digitally

signed, but not by means of a rubber stamp, provided that the director shall be personally responsible for permitting the affixation of his signature thus and the safe custody of any machine, equipment or other material used for the purpose.

Provided that, these provisions shall not apply to the shares held in dematerialised form.

## **22. Renewal of Shares certificate:**

- (a) No certificate shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, mutilated, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the company:

Provided that the company shall charge a fee of fifty rupees per certificate issued on splitting or consolidation of share certificate(s) or in replacement of share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out.

- (b) Where a certificate is issued in any of the circumstances specified above, it shall be stated on the face of it and be recorded in the Register maintained for the purpose, that it is "Issued in lieu of share certificate No..... sub-divided/replaced/on consolidation" and also that no fee shall be payable pursuant to scheme of arrangement sanctioned by the High Court or Central Government.
- (c) A company may replace all the existing certificates by new certificates upon sub-division or consolidation of shares or merger or demerger or any reconstitution without requiring old certificates to be surrendered subject to compliance with clause (a) above.
- (d) The duplicate share certificate shall be not issued in lieu of those that are lost or destroyed, without the prior consent of the Board and without payment of such fees as the Board thinks fit, not exceeding rupees fifty per certificate and on such reasonable terms, such as furnishing supporting evidence and indemnity and the payment of out-of-pocket expenses incurred by the company in investigating the evidence produced:
- (e) Where a certificate is issued in any of the circumstances specified above, it shall be stated prominently on the face of it and be recorded in the Register maintained for the purpose, that it is "*duplicate issued in lieu of share certificate No.....*" and the word "duplicate" shall be stamped or printed prominently on the face of the share certificate.
- (f) The particulars of every share certificate issued shall be entered forthwith in a Register of Renewed and Duplicate Share Certificates maintained indicating against the name(s) of the person(s) to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the



necessary changes indicated in the Register of Members by suitable cross-references in the "Remarks" column.

- (g) The register shall be kept at the registered office of the company and the Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to above.

**23. The first named of joint holders deemed sole holder:**

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

**24. Company not bound to recognize any interest in share other than that of registered holder:**

Except as ordered by Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Article in the person from time to time registered as the holder thereof but the Board shall be at liberty at their sole discretion register any share in the joint names of any - two or more persons or the survivor or survivors of them.

**25. Declaration by person not holding beneficial interest in any shares:**

- (1) Where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration within such time and in such form as may be prescribed to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.
- (2) Every person who holds or acquires a beneficial interest in share of a company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars as may be prescribed.
- (3) Where any change occurs in the beneficial interest in such shares, the person referred to in sub-section (1) and the beneficial owner specified in sub-section (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars as may be prescribed.
- (4) No right in relation to any share in respect of which a declaration is required to be

made under this section but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.

**26. Funds of Company may not be applied in purchase of shares of Company:**

None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 67 of the Act.

**DEMATERIALISATION OF SECURITIES**

**27. Dematerialisation of securities :**

- (a) Either on the Company or on the investor exercising an option to hold his securities with a Depository in a dematerialised form, the Company shall enter into an agreement with the Depository to enable the investor to dematerialise the securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
- (b) Options to receive security certificates or hold securities with depository every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository. Where a person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the security and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.
- (c) Securities with depositories to be in fungible form

All securities held by a depository shall be dematerialised and shall be in a fungible form.

- (d) Nothing contained in 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.

**28. Rights of depositories and beneficial owners :**

- (a) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it.
- (c) Every person holding equity share Capital of the Company and whose name is entered, as beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the securities held by a depository.

**29. Depository to furnish information :**

Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye laws and the Company in that behalf.

**30. Option to opt out in respect of any security :**

- (a) If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly.
- (b) The depository shall, on receipt of intimation as above, make appropriate entries in its records and shall inform the Company.
- (c) The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment 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.

**31. Section 45 and 56 of the Act not to apply :**

- (a) Notwithstanding anything to the contrary contained in the Articles, Section 45 of the Act shall not apply to the shares held with a depository.
- (b) Section 56 of the Act shall not apply to transfer of security affected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

**32. Service of documents :**

Subject to these Articles, 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.

**33. Allotment of securities dealt within a depository :**

Notwithstanding anything in the Act or these Articles where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

**34. Distinctive numbers of securities held in a depository :**

Nothing contained in the Act or these Articles regarding the necessity of having distinct numbers for securities issued by the Company shall apply to securities held with a depository.

**35. Register and Index of beneficial owners :**

- (a) The Register and Index of beneficial owners maintained by a depository under, the Depositories Act, 1996 shall be deemed to be the Register and Index of Members

and Security holders for the purposes of these Articles.

- (b) Notwithstanding anything contained in the Act and Article 23 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a Return in the prescribed form with the Registrar with regard to such declaration.

### **UNDERWRITING AND BROKERAGE**

**36. Commission may be paid :**

- (a) Subject to the provisions of Section 40 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional).

### **CALLS**

**37. Directors may make calls :**

The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at Meeting of the Board (and not by circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively or each Member shall pay the amount of every call so made on him to the person or persons and at the time and places appointed by the Board. A call may be made payable by installments.

**38. Calls on shares to be on uniform basis :**

When any calls for further share Capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

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

**39. Installments on shares to be duly paid :**

If, by the conditions of allotment of any share, the whole or part of the amount or issue-price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who for the time being shall be registered holder of the share or his legal representative.

**40. Notice of calls :**

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.

**41. Calls to date from resolution :**

- (a) A call shall be deemed to have been made at the time when the resolution authorising such call was passed at Meeting of the Board.
- (b) The Board may from time to time subject to the terms on which any warrants convertible into equity shares may have been issued make a call upon the warrant holders in respect of the balance amount unpaid on the warrants held by them respectively at the time of providing option for conversion of warrants into equity shares of the company and shall be payable at such fixed times by the warrant holders who shall pay the amount of call made on them and places appointed by the Board. In case of failure to exercise the option and make payment thereof, the amount so deposited at the time of allotment of warrants shall be forfeited by the Board.

**42. Call may be revoked or postponed :**

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

**43. Liability of joint-holders :**

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

**44. Directors may extend time :**

The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension but no Member shall be entitled to such extension save as a matter of grace and favour.

**45. Calls to carry interest :**

If any Member fails to pay any call due from him on, the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 5 per cent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.

**46. Sums deemed to be calls :**

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 Articles be deemed to be a call duly made and payable on the date on



which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**47. Proof on trail of suit for money due on :**

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

**48. Partial payment not to preclude forfeiture :**

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

**49. Payment in anticipation of calls may carry interest :**

- (a) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part, of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advance are made the Board may pay or allow interest, at such rate not exceeding 6 per cent per annum. The Board may agree to repay at any time an amount so advanced or may at any time repay the same upon giving to the Member three months notice in writing provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

## LIEN

### 50. **Company to have lien on shares :**

The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all money (whether presently payable or not) called or payable at a time in respect of such shares, and no equitable interest in any shares shall be created except upon the footing and upon condition that Article 49 hereof is to have full effect. Any such lien shall extend to all dividends and bonuses declared from time to time in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as waiver of the Company's lien, if any, on such shares.

### 51. **As to enforcing lien by sale :**

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.

### 52. **Application of proceeds of sale :**

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale.

## FORFEITURE OF SHARES

### 53. **If money payable on shares not paid, notice to be given to members :**

If any Member fails to pay any call or installment of a call, on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

### 54. **Form of notice :**

The notice shall name a day (not being less than fourteen days from the date of the notice) from the day on which such call or installment ought to have been paid. The notice shall also state that in the event of the nonpayment at or before the time and at the place appointed,

the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

**55. In default of payment, shares to be forfeited :**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expense due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends, declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

**56. Notice of forfeiture to a member :**

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

**57. Forfeited shares to be property of the company & may be sold etc :**

Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

**58. Members still liable to pay money owing at time of forfeiture and interest :**

- (a) Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding 5 per cent pre annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.
- (b) 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.

**59. Effect of forfeiture :**

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

**60. Evidences for forfeiture :**

A duly verified declaration in writing that the declarant is a Director, Manager or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts

therein stated as against all persons claiming to be entitled to the shares.

**61. Validity of sale under article 51 & 57 :**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**62. Cancellation of share certificates in respect of forfeited shares :**

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

**63. Power to annul forfeiture :**

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

## **TRANSFER AND TRANSMISSION OF SHARES**

**64. Register of Transfers :**

The Company shall keep a "Register of Transfers", and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share and whereas in case of shares held in dematerialised form. The Register of Transfer maintained by the Depository shall be deemed to be the Register of Transfer.

**65. Transfer form to be completed and presented to the Company :**

The Instrument of Transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof before the registration of transfer, the certificate or certificates of the shares must be delivered to the Company.

**66. Transfer Books and Register of Members when closed :**

The Board shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture Holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

**67. Directors may refuse to register transfer:**

Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contract (Regulation) Act, 1956 and subject to the provisions of these Articles, the Board may refuse to register any transfer of or the transmission by operation of law of the right to, any shares or interest of a member in the Company, but in such case the Company shall, within one month from the date on which the instrument of transfer, or intimation of such transmission, as the case may be, was delivered to the Company send notice of such refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal; Provided, however, that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with another person or persons being indebted to the Company on any account whatsoever, except where the Company has a lien on the shares.

**68. When transfer to be retained:**

All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Director may decline to register shall be returned to the person depositing the same.

**69. Notice of application when to be given :**

Where, in the case of partly paid shares, an application for registration is made by the Transferor, the Company shall give notice of the application to the Transferee in accordance with the provisions of Section 56 of the Act.

**70. Death of one or more joint holders of shares :**

Subject to Article 23, 24 hereof in the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

**71. Title to shares of deceased members :**

In the absence of a nomination recorded in accordance with Section 72 of the Act, which shall, in any event, have precedence, the executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased Member (not being one or two more jointholders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognize such executors or administrators or Holders of a Succession Certificate

or the legal representatives Unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 64 register the name of any person who claims to be absolutely entitled to the shares standing in the name of deceased member, as a Member.

**72. No transfer to minor etc :**

No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind. However a transfer of fully paid-up shares to a minor shall be allowed.

**73. Compliance with the Estate Duty Act, 1953 :**

If any Member of the Company dies, and the Company through any of its principal officers within the meaning of the Estate Duty Act, 1953, has knowledge of the death, it shall not be lawful for the Company to register the transfer of any shares standing in the name of the deceased Member unless the Company is satisfied that the Transferee has acquired such shares for valuable consideration or there is produced to it a certificate from the Controller, Deputy Controller, or Assistant Controller of Estate Duty that either the Estate Duty in respect thereof has been paid or will be paid or none is due as the case may be. Where the Company has come to know through any of its principal officers of the death of any Member, the Company shall, within three months of the receipt of such knowledge, furnish to the Assistant Controller, the Deputy Controller or Controller of Estate Duty who is exercising the functions of the Income-tax Officer under the Income-tax Act in relation to the Company, such particulars as may be prescribed by the Estate Duty Rules, 1953.

**74. Registration of person entitled to shares otherwise than by transfer :**

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an Instrument of Transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.

**75. Person entitled may receive dividend without being registered as member :**

A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share.



Provided that the Board may, at any time, give notice, requiring any such person to elect either to be registered himself or to transfer the 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.

**76. Fee on transfer or transmission :**

There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any, as the Directors may require.

**77. Company not liable for disregard of a notice prohibiting registration of transfer:**

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, or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, 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 Board shall so think fit.

**78. Lock-in of shares held by Mr. Ashok V. Hiremath:**

- (a) Subject to Article 78B.1, 78B.2 and 80, Mr. Ashok V. Hiremath shall directly own and hold, in his individual capacity, at least 10% of the Share Capital, or such lesser percentage of Shares pursuant to the provisions of Article 78B.1, 78B.2 and 80, until the expiry of 1 (one) year from 12 October 2015 (**1 Year Lock Shares**); and
- (b) Mr. Ashok V. Hiremath shall continue to directly own and hold, in his individual capacity, at least half of the 1 Year Lock Shares until the expiry of 2 (two) years from 12 October 2015.

**78A.** On and from 12 October 2015 till the second anniversary from 12 October 2015, or till the time the Promoter Group ceases to be classified as 'promoters' of the Company as per applicable laws, no member of the Promoter Group or their Affiliates shall acquire any Shares of the Company without the prior written approval of Godrej.

**78B.** Acquisition of Additional Equity Shares by Godrej:

**78B.1** If the shareholding of Godrej taking into account the number of Shares accepted in the Open Offer is less than the Majority Share Capital, then Godrej may, on the occurrence of such contingent event, at its option, acquire such additional number of Shares at a price of

INR 190 per Share from Mr. Ashok V. Hiremath to procure that Godrej holds the Majority Share Capital (Additional Sale Shares) in the following manner:

- a. if Godrej does not hold the Majority Share Capital taking into account the number of Shares accepted in the Open Offer, no later than two working days prior to 6 months from the Open Offer Completion Date, Godrej may at its option submit a written notice to Mr. Ashok V. Hiremath specifying the number of Additional Sale Shares it desires to purchase (Additional Share Notice);
- b. on the day immediately following the date of issuance of the Additional Share Notice (Additional Completion Date), Godrej shall purchase from Mr. Ashok V. Hiremath, and Mr. Ashok V. Hiremath shall sell to Godrej, such number of Additional Sale Shares as set out in the Additional Share Notice, free and clear from all Encumbrances and together with all rights and advantages now and hereinafter attaching or accruing thereto from the Additional Completion Date, for the Additional Sale Consideration.

**78B.2** On the Additional Completion Date:

- a. Godrej shall remit by way of wire transfer the Additional Sale Consideration to the bank account designated by Mr. Ashok V. Hiremath ; and
- b. Mr. Ashok V. Hiremath *shall issue duly executed delivery instruction slips to its depository participants to debit the Additional Sale Shares, from Mr. Ashok V. Hiremath's demat account, and transfer such Additional Sale Shares to Godrej's demat account.*
- c. Godrej shall issue the necessary instructions to its depository participant to receive and credit the Additional Sale Shares to Godrej's demat account.

**78B.3** On consummation of the Open Offer, if the combined shareholding of Mr. Ashok V. Hiremath and Godrej (irrespective of whether Shares have been purchased by Godrej from Mr. Ashok V. Hiremath pursuant to the provisions of Article 78B.1 and 78B.2) is such that the Company does not satisfy the minimum public shareholding in terms of Rule 19A of the Securities Contracts (Regulation) Rules, 1957, then Godrej shall participate in the institutional placement programme (be it by way of issue of fresh Shares or an offer for sale) and shall comply with the applicable provisions of Chapter VIII A (Institutional Placement Programme) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and it shall not be the responsibility of Mr. Ashok V. Hiremath to ensure compliance with the minimum public shareholding requirements.

**Explanation: For the purpose of this Article 78B:**

- a. "Additional Sale Consideration" shall mean the aggregate consideration to be paid by Godrej to Mr. Ashok V. Hiremath for acquiring each Additional Sale Share at the price of INR 190 per Additional Sale Share;
- b. "Encumbrance" shall mean any encumbrance including: (i) any mortgage, charge

(whether fixed or floating), claim, pledge, lien, deposit, assignment by way of security, hypothecation, deed of trust, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law; (ii) any equity, entitlement to ownership (including usufruct and similar entitlements), provisional or executorial attachment, appointment of a receiver, liquidator or similar person (whether provisional or not), any claim under contract or licence, assignment or ability to licence, sub-licence or deal; (iii) any conditional sale, right to claim title or possession, voting agreement, option, lock-in, pre-emption right, right of first refusal or offer, tag along right, drag along right, right to acquire, non-disposal undertaking, any transfer restriction or any other restriction imposed under applicable law or contract on the transferability of the Shares, in favour of any person; or (iv) any other interest or right held, or claim that could be raised, by any third party;

- c. "Majority Share Capital" shall mean aggregate of 50% of the Share Capital plus 1 (one) additional Share;
- d. "Open Offer" shall mean the open offer made by Godrej pursuant to execution of share purchase agreement between the Company, Promoter Group and Godrej in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended or substituted from time to time;
- e. "Open Offer Completion Date" shall mean the date on which payment is made to shareholders who tender their Shares in the Open Offer;

## **79. Tag Along Right**

**79.1.** Prior to the second anniversary from 12 October 2015, if Godrej at any time sells its Shares to a third party buyer (Offeror), and if such sale would result in a change in Control of the Company, the following provisions shall apply:

- (a) prior to consummation of such sale, Godrej shall in writing furnish to Mr. Ashok V. Hiremath a notice setting out the price, terms of payment, and the identity of the Offeror;
- (b) within 7 days of receipt of the notice contemplated in Article 79.1 (a) above, Mr. Ashok V. Hiremath shall be entitled, by notice in writing to Godrej, to require that his Shares (**Promoter Equity**) be acquired by the Offeror at the same price and upon the same terms and conditions *mutatis mutandis* as are contained in the notice referred to in Article 79.1 (a); and
- (c) if Mr. Ashok V. Hiremath desires to sell the Promoter Equity pursuant to such tag along right, Godrej shall not be entitled to complete the sale to the Offeror, unless the Offeror purchases the Promoter Equity offered for sale by Mr. Ashok V. Hiremath in terms of Article 79.1(b) at the same price and upon the same terms and conditions

as are contained in the notice referred to in Article 79.1 (a).

**79.2.** Prior to the second anniversary from 12 October 2015, if Godrej at any time sells its Shares to an Offeror, the following provisions shall apply:

- (a) prior to consummation of such sale, **Godrej** shall in writing furnish to Mr. Ashok V. Hiremath a notice setting out the number of Shares, price, terms of payment, and the identity of the Offeror;
- (b) within 7 days of receipt of the notice contemplated in Article 79.2 (a) above, Mr. Ashok V. Hiremath shall be entitled, by notice in writing to **Godrej**, to require that an equal proportion of his Shares (**Promoter Proportionate Equity**) be acquired by the Offeror at the same price and upon the same terms and conditions *mutatis mutandis* as are contained in the notice referred to in Article 79.2 (a); and
- (c) if Mr. Ashok V. Hiremath desires to sell the Promoter Proportionate Equity pursuant to such tag along right, **Godrej** shall not be entitled to complete the sale to the Offeror, unless the Offeror purchases the Promoter Equity offered for sale by Mr. Ashok V. Hiremath in terms of Article 79.2 (b) at the same price and upon the same terms and conditions as are contained in the notice referred to in Article 79.2 (a).

Provided however that, if **Godrej** sells its Shares in order to comply with the minimum public shareholding requirements of the Company in terms of Rule 19A of the Securities Contracts (Regulation) Rules, 1957, Mr. Ashok V. Hiremath shall not be entitled to exercise his rights set out in this Article 79.2.

Provided further that Mr. Ashok V. Hiremath shall not be obliged to offer any representations, warranties or indemnities to the Offeror save in relation his title to the Promoter Equity. **Godrej** shall ensure that in computing the price at which the Promoter Equity is acquired by the Offeror, the fair value of any non-cash consideration payable by the Offeror to Godrej is included.

## **80. Pre-emptive Rights**

**80.1** Prior to the second anniversary from 12 October 2015, the Company shall not issue any Shares to any person (Proposed Recipient) unless the Company has offered Mr. Ashok V. Hiremath in accordance with the provisions of this Article 80, the right to subscribe to such number of Shares at the same price per Share consideration, payable solely in cash, as may be necessary to maintain Mr. Ashok V. Hiremath's shareholding percentage in the Share Capital at the level existing immediately prior to such issuance of Shares.

**80.2** Not less than 30 Business Days before a proposed issuance of Shares by the Company (Proposed Issuance), the Company shall deliver to Mr. Ashok V. Hiremath a written notice of the Proposed Issuance (Proposed Issuance Notice) setting forth, (a) the number, type and terms of the Shares to be issued, (b) the consideration to be received by the Company in connection with the Proposed Issuance and (c) the identity of the Proposed Recipients.

- 80.3** Within 15 Business Days following receipt of the Proposed Issuance Notice, Mr. Ashok V. Hiremath shall give written notice to the Company specifying the number of Shares it wishes to subscribe to out of the number of Shares it is entitled to subscribe to in accordance with Article 80.1. Failure by Mr. Ashok V. Hiremath to give such notice within a 15 Business Day period shall be deemed a waiver of his rights under this Article 80 with respect to such Proposed Issuance. If Mr. Ashok V. Hiremath fails to give the notice required under this Article 80 solely because of the Company's failure to comply with the notice provisions of Article 80, then the Company shall not issue any Shares and if purported to be issued, such issuance of Shares shall be void ab initio. If Mr. Ashok V. Hiremath renounces his right to subscribe to the Shares issued by the Company, the remaining shareholders of the Company will have a right to pro rata subscribe to such Shares proposed to be issued by the Company pursuant to this Article 80.

**81. Put Option**

- 81.1** If at the expiry of 2 (two) years from 12 October 2015, Mr. Ashok V. Hiremath holds any Shares of the Company (Option Shares), then on the occurrence of such contingent event, Mr. Ashok V. Hiremath shall have the right (exercisable at its option) to cause Godrej to purchase the Option Shares (Promoter Put Option) at INR 190 per Option Share (Option Price).

- (a)** The Promoter Put Option shall be exercisable for a period of 30 days commencing from the date of expiry of 2 (two) years from 12 October 2015 (Promoter Put Option Period);

Provided that if on account of applicable laws, Godrej is not permitted to purchase the Option Shares within the Promoter Put Option Period, then the Promoter shall be entitled to exercise such Promoter Put Option for a period of 30 days commencing from the date of expiry of 3 (three) years from 12 October 2015 (Subsequent Put Option Period); or

- (b)** Mr. Ashok V. Hiremath shall be entitled to require Godrej to acquire the Option Shares in two tranches of up to 5% each (on the assumption that he holds 10% at such time and such equal proportion principle shall apply to whatever percentage he holds at that point in time) of the Shares of the Company under the applicable creeping acquisition limits under Regulation 3(3) read with Regulation 3(2) of the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 which option shall be exercised for each such tranche within 30 days from the beginning of the financial year after completion of the second anniversary from 12 October 2015, and within 30 days from the beginning of the financial year after completion of the third anniversary from 12 October 2015, respectively (Creeping Put Option Period).

- 81.2** Mr. Ashok V. Hiremath may exercise the Promoter Put Option by serving a notice in writing to Godrej (Promoter Put Option Exercise Notice) during the Promoter Option Period or the Subsequent Put Option Period or the Creeping Put Option Period. On the day immediately following the date of receipt of the Promoter Put Option Exercise Notice, Godrej shall be required to complete the purchase of the Option Shares (free and clear from all Encumbrances as defined under Article 78B) held by Mr. Ashok V. Hiremath, by wire transfer of the Option Price to a bank account notified by Mr. Ashok V. Hiremath. Simultaneously upon receipt by Mr. Ashok V. Hiremath of the Option Price in respect of all of

the Option Shares in the notified bank account, Mr. Ashok V. Hiremath shall cause his depository participant to debit his depository participant account by transferring the Option Shares to the depository account of Godrej.

- 81.3** Mr. Ashok V. Hiremath shall give customary representations and warranties (with corresponding indemnities) with respect to himself (i.e. authority, capacity, compliance with applicable law) and the Option Shares (i.e. title, validity of issuance under applicable laws and transferability of the Option Shares) at the time of transfer of such Option Shares to Godrej and such representations and warranties shall be identical to all the representations and warranties (with corresponding indemnities) provided by Mr. Ashok V. Hiremath to Godrej under the share purchase agreement executed between the Company, Promoter Group and Godrej and shall be deemed to be repeated for the benefit of Godrej at the time of consummation of the transfer of the Option Shares from Mr. Ashok V. Hiremath to Godrej.

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

- 82. Copies of Memorandum and Article of Association to be sent by the company :**

Copies of the Memorandum and Articles of Association, of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Member at his request within seven days of the request on payment of the sum of Rupee one for each copy.

#### **BORROWING POWERS**

- 83. Power to Borrow :**

If so required by the Act the Board 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 of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Provided, however, where the moneys to be borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up Capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

- 84. Payment or repayment of moneys borrowed :**

Subject to the provisions of the Act and these Articles, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Special Resolution shall prescribe including by the issue of Debentures or Debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and Debentures, Debenture-Stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.



**85. Terms of Issue of Debentures :**

Any Debentures, Debenture-Stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise, Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.

**86. Register of Mortgages etc. to be kept :**

The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Section 71 , 76 to 86 (both inclusive) of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Board.

**87. Register & Index of Debenture Holders :**

The Company shall, if at any time issues Debentures, keep a Register and Index of Debenture Holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any State or country outside India a branch Register of Debenture Holders resident in that State or country.

## **MEETINGS OF MEMBERS**

**88. Annual General Meeting :**

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours between 9.00am to 6.00pm on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city in which the Office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall

cause to be prepared the Annual List of Members, Summary of Share Capital, Balance Sheet, Profit and Loss Account and Cash Flow Statement and forward the same to the Registrar in accordance with Section 92 and 137 of the Act.

**89. Extra-Ordinary General meeting :**

The Board may, whenever it thinks fit, call all Extra ordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right voting in regard to the matter in respect of which the requisition has been made.

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 extra ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

**90. Requisition of members to state object of meeting :**

Any valid requisition so made by Members must state the object or objects of the Meeting proposed to be called and must be signed by the requisitionists and be deposited at the office of the Company provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

**91. On receipt of requisition Directors to call meeting & in default requisitionists may do so :**

- (a) Upon the receipt of any such requisition, the Board shall proceed within twenty-one days from the date of the requisition being deposited at the Office to cause a Meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the paid-up share Capital held by all of them or not less than one-tenth of such of the paid-up share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the Meeting, but in either case any Meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- (b) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to call a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company, by way of fees or other remuneration for their services to such of the Directors as were in default.

**92. Meeting called by Requisitionists :**

Any meeting called, under the foregoing Articles by the requisitionists shall be called in the same manner as, nearly as possible, as that in which Meetings are to be called by the Board.

**93. Annual Return**

The Company shall comply with the provision of Section 92 of the Act regarding the filling up of Annual Return.

**93. When Register of Members and Debentures may be closed :**

The Company may by giving not less than seven days previous notice by the advertisement in some newspapers circulating the district in which the registered office is situated, close Register of Members or the Register of Debenture holders, as the case may be for any period not exceeding, in the aggregate, forty five days in each year but not exceeding thirty days at a time.

**94. Circulation of the Member's Resolution :**

The Company shall comply with the provisions of Section 111 of the Act as to giving notice of the resolutions and circulating the statements on the requisition of members.

**95. Twenty-one days notice of meeting to be given :**

Twenty-one days notice at the least of every General Meeting, Annual or Extraordinary, and by whomsoever called specifying the day, place and hour of Meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the Members entitled to vote thereat and in case of any other Meeting, with the consent of Members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the Meeting, a Meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (1) the consideration of financial statements and Reports of the Board of Directors and Auditors, (2) the declaration of dividend, (3) the appointment of Directors in place of those retiring, (4) the appointment of, and fixing of the remuneration of the auditors, is to be transacted, and in the case of any other Meetings in any event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any therein of every Director and the Manager (if any). Where any such item of special business relates to, or affects any other Company, the extent of shareholding interest in that other Company of every Director and the Manager, If any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than 20 percent of the paid-up share Capital of that other Company. Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

**96. Omission to give notice not to invalidate a resolution passed :**

The accidental omission to give any such notice as aforesaid to any of the Members, or the non-receipt thereof, shall not Invalidate any resolution passed at any such Meeting.

**97. Meeting not to transact business not mentioned in notice :**

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

**98. Quorum at general meeting:**

Quorum at the General Meeting shall be as provided in Section 103 of the Act.

**99. Body Corporate deemed to be personally present:**

A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

**100. If quorum not present, meeting to be dissolved or adjourned:**

If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the city or town in which the Office of the Company is for the time being situated, as the Board may determine, and if at such adjourned Meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum, and may transact the business for which the Meeting was called.

**101. Chairman of General meeting:**

The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board of Directors, or if at any Meeting he shall not be present within fifteen minutes of the time appointed for holding such Meeting or if he shall be unable or unwilling to take the chair then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of their number to be Chairman.

**102. Business confined to election of chairman whilst chair vacant:**

No business shall be discussed at any General Meeting except the election of a Chairman, whilst the chair is vacant.

**103. Chairman with consent may adjourn meeting:**

The Chairman with the consent of the Members may adjourn any Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. 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. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**104. Resolution how carried :**

At any General Meeting unless a poll (before or on declaration of the result of voting on any Resolution on show of hands), is ordered to be taken by the Chairman of the meeting on his own motion or on a demand made in that behalf by member or members present in person or by proxy and holding shares in the Company which confer power to vote on the Resolution not being less than one-tenth of the total voting power in respect of the Resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up, a declaration by the Chairman that a Resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the General Meeting 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 a Resolution. The demand for poll may be withdrawn at any time by the person or persons who made the demand.

**105. Chairman casting vote :**

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

**106. Poll to be taken if demanded :**

If a poll is demanded as aforesaid the same shall subject to Article 101 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situated and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

**107. Chairman of the Meeting, if poll demanded :**

In case the poll is demanded as mentioned aforesaid then the Chairman shall be appointed in the same manner as mentioned in Section 104 of the Act unless the articles of the Company otherwise provide for the election of chairman on demand of poll at the Meeting.

**108. Scrutinizers at poll :**

Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

**109. In what case poll taken without adjournment :**

Any poll duly demanded on the election of a Chairman of a Meeting or on any question of adjournment shall be taken at the Meeting forthwith.

**110. Demand for poll not to prevent transaction of other business :**

The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.

**111. Resolution requiring Special Notice :**

- (a) Where under any provisions of the Act or in the articles special notice is required of any resolution notice of such intention of intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served on which the notice is served or deemed to be served and the date of meeting.
- (b) The Company shall immediately after receipt of notice of intention to move any resolution as aforesaid give its members notice of the resolution in the same manner as it gives the notice of the meeting or in case it is not practicable then notice shall be given either by the advertisement in the newspaper having an appropriate circulation or in any other appropriate mode suggested by its articles not less than seven days before the meeting.

**VOTES OF MEMBERS****112. Members in arrears not to vote :**

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of share holders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any call or other sums presently payable by him have not been paid in regard to which the Company has, and has exercised, an right of lien.

**113. Number of votes to which member entitled :**

- (a) Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of share for the time being forming part of the Capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such Meeting, and on a show of hands every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share Capital of the Company. Provided, however, if any Preference Shareholder be present at any Meeting of the Company, save as a provided in Section 47 of the Act, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his Preference Shares.

Provided that the holders of Preference Shares shall have no right to vote either in person or by proxy at any general meeting by virtue or in respect of their holdings of Preference Shares, unless the preference dividend due on such Preference Shares or any part of such dividend remained unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting or unless a resolution is appeared directly affecting the rights or privileges attached to such Preference Shares.



- (b) Any resolution for winding up the Company or for the payment or reduction of its share Capital shall be deemed directly to affect the rights attached to Preference shares within the meaning of these Articles.
- (c) Subject to any rights or restrictions for the time being attached to any class or classes of shares-
  - (a) on a show of hands, every member present in person shall have one vote; and
  - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up share capital of the company.
- (d) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

**114. Casting of Votes by members entitled to more than one vote :**

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

**115. How members' non compos mentis, minor may vote :**

A Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll by his committee or other legal guardian; and any such committee or guardian may, on poll vote by proxy, if any Member be a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairman of the Meeting. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

**116. Votes of joint members :**

If there be joint registered holders of any shares, any one of such persons may vote at any Meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting and, if more than one of such joint-holders be present at any Meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the Meeting. Several executors or administrators of a deceased Member in whose name shares stand shall for the purpose of these Articles be deemed joint-holder thereof.

**117. Votes in person or by proxy :**

Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on

behalf of the body corporate which he represents as that body could exercise if it were an individual Member.

**118. Postal Ballot :**

In the case of resolution relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, the Company shall get such resolutions passed by means of a postal ballot, instead of transacting such business in the general meeting of the Company. Where the Company is required to, or decides to, as the case may be, get a resolution passed by means of a postal ballot, the provisions of Section 110 of the Act and the rules framed there under shall be complied with.

**119. Votes in respect of shares of deceased & insolvent member :**

Any person entitled to transfer any share may vote at any General Meeting in respect thereof in same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.

**120. Appointment of Proxy :**

Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporate body under the Common Seal of such corporation, or be signed by an office or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have the right to speak at the meetings and should not be entitled to vote except on a poll.

**121. Proxy either for specified meeting or for a period :**

An instrument of proxy may appoint a proxy either for the purpose of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every Meeting of the Company, or of every Meeting to be held before a date specified in the instrument and every, adjournment of any such Meeting.

**122. Proxy to Vote only on a Poll :**

A Member present by proxy shall be entitled to vote only on a poll.

**123. Deposit or instrument of Appointment :**

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Office not later than forty-eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument or proxy shall not be treated as valid. No instrument appointing a proxy shall be

valid after the expiration of twelve months from the date of its execution.

**124. Form of Proxy :**

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**125. Validity of votes given by Proxy notwithstanding death of member :**

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 revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the shares in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the Meeting.

**126. Time for objection of votes :**

No objection shall be made to the validity of any vote, except at any Meeting or poll at which such vote shall be so tendered, and every vote whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.

**127. Chairman of meeting to be the judge of validity of any vote :**

The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

**128. Minutes of general meeting and inspection thereof by members :**

- (a) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such Meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceeding of each Meeting in such book shall be dated and signed by the Chairman of the same Meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
- (c) In no case the minutes of proceedings of a Meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of Officers made at any Meeting aforesaid shall be included in the minutes of the Meeting.

- (f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter whatsoever in the particular a matter which in the opinion of the Chairman of the Meeting (a) is or could reasonably be regarded as, defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the Meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds or otherwise.
- (g) Any such minutes shall be evidence of the proceedings recorded therein.
- (h) The book containing the minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

## **DIRECTORS**

### **129. Number of Directors:**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debenture Ex-Office and alternate Directors) shall not be less than three or more than fifteen. One Woman Director shall be appointed on the Board in terms of Section 149(1)(b) of the Companies Act, 2013. Being listed, at least one-third of the total number of directors shall be independent directors.

Notwithstanding anything to the contrary contained in these articles, Company shall ensure that atleast One Director on the Board has stayed in India for a total period of not less than 182days in the previous calendar year, in terms of Section 149(3) of the Companies Act, 2013.

### **130. Appointment & Election of Directors:**

The Managing Director & Whole Time Director of the Company for the time being shall not be liable to retire by rotation. All Directors other than the non-retiring Director shall be elected by the shareholders of the Company in General Meeting and shall be liable to retirement by rotation as herein provided. All Independent Directors shall also not be liable to retire by rotation as per provisions of Section 152 of Companies Act, 2013.

### **131. Directors:**

Subject to Article 157, the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Listing Agreement, Godrej Agrovet Limited ("Godrej") shall be entitled in its sole discretion to nominate its nominee(s) for appointment on the Board or Committee, or remove its nominees from the Board or Committee, from time to time. The Chairman of the Board shall be nominated by Godrej.

### **132. Power to appoint ex-officio directors:**

Subject to the provisions of Section 152 of the Act whenever the Directors enter into a

contract with any government, Central, State or Local, or any person or persons for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such government, person or persons shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the government, person or persons entitled to appoint or nominate them and such person or persons may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including the payment of remuneration and traveling expenses to such Director or Directors as may be agreed by the Company with such person or persons aforesaid.

**133. Debenture Directors :**

If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

**134. Nominee Director:**

- (a) The Lender may appoint any person as a Nominee Director, not possessing any disqualifications under Section 164 of the Companies Act, under any agreement entered between the Company and the Lender for providing Term Loan and other lending facilities to the Company, if the said agreement empowers the Lender to appoint a Nominee Director. The Nominee Director, for all the purposes shall be treated as Non-Executive Director of the Company. The total strength of the Board of Directors, including Nominee Director, shall not exceed the maximum limit as may be prescribed from time to time.
- (b) The said Lender may remove, substitute, add the said Nominee Director. The Nominee Director shall not continue his office after the repayment of amount borrowed and interest thereon.
- (c) The Nominee Director shall be eligible to receive the Notices of the Board Meeting and all General Meetings of the Company as and when convened. The Service of the Notice to the said Nominee Director shall be deemed to be service to the Lender.

- (d) The Nominee Director shall be vested with such powers as would have been vested with the Lender in pursuant to the agreement.

**135. Appointment of Alternate Director :**

Subject to the Provisions of Section 161 of the Companies Act, 2013, the Board may appoint an Alternate Director to act for a Director (hereinafter called the "Original Director") during his absence for a period of not less than three months from the state in which the Meetings of the Board are ordinarily held. An alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director return to that state. If the term of office of the Original Director is determined before he so returns to that state, any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Provided that 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.

**136. Directors power to fill casual vacancy :**

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

**137. Additional Directors :**

Subject to the provisions of Section 161 and 152 the Board shall have the power at any time and from time to time appoint any other qualified person to be an Additional Director but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 126. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

**138. Share Qualification of Directors :**

A Director shall not be required to hold any share qualification.

**139. Remuneration of Directors :**

- (a) Subject to the applicable provisions of the Act, Managing Director or Director, who is in the whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either:

- (i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
- (ii) by way of commission if the Company by a special resolution authorised such payment.
- (c) the fee payable to a Director (not including a Managing or whole-time Director, if any) for attending a Meeting of the Board or Committee thereof shall be such sum as may be prescribed by the Central Government from time to time and approved by the Board of Directors or such higher fees as may be approved by the members in General Meeting with the approval of the Central Government, where such fees payable to the Directors for attending meetings of the Board or committee thereof, exceeds the amount prescribed by the Central Government.

**140. Remuneration for extra services rendered :**

If any Director, being willing, shall be called upon to perform extra services, or to make any special exertions in going or residing abroad, or otherwise for any of the purpose of the Company, the Company shall remunerate such Director in such manner as may be determined by the Directors, and such remuneration may be in addition to the fee payable to him under the preceding article.

**141. Traveling expenses incurred by Directors not a bona fide resident or by Director going out on Company's business :**

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the Meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any Meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such Meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

**142. When office of directors to become vacant :**

Subject to Section 167 of the Act the office of a Director shall become vacant if -

- a) he incurs any of the disqualifications specified in section 164;
- b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- c) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;
- e) he becomes disqualified by an order of a court or the Tribunal;

- f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:  
Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
- g) he is removed in pursuance of the provisions of this Act;
- h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

**143. Director may contract with Company :**

A Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such firm, or a private Company of which the Director is a Member or Director may enter into any contract with the Company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that, and if so required by the Act, if the paid-up share Capital of the Company is not less than Rs. Ten crores, no such contract shall be entered into except with the previous approval of the members and the sanction of the Board shall be obtained before or within three months of the date on which the contract is entered into in accordance with the provisions of the Act.

**144. No sanction shall, however, be necessary for -**

- (a) any purchase of goods and materials from the Company or the sale of goods or materials to the Company, by any such Director, relative, firm, partner; or private Company as aforesaid for cash at prevailing market prices; or
- (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private Company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private Company, as the case may be, regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed Rs. 5,00,000/- in the aggregate in any year comprised in the period of the contract or contracts.
- (c) Provided that in circumstances of urgent necessity, a Director, relative, firm, partner or private Company as aforesaid may without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services, even if the value of such goods or the cost of such services exceeds Rs.5,00,000/- in the aggregate in any year comprised in the period of the contract if the consent of the Board shall be obtained to such contracts at a Meeting within three months of the date on which the contract was entered into.

**145. Disclosure of interest:**

A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into



or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a Meeting of the Board in the manner provided in Section 184(2) of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share Capital in any such other Company. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

**146. General notice of interest :**

A General Notice given to the Board by the Director, to the effect that he is a Director or member of a specified body corporate or is a Member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a Meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the First Meeting of the Board after it is given.

**147. Interested directors not to participate or vote in Board proceedings :**

No Director shall act as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement; not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided, however, that nothing herein contained shall apply to :-

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

**148. Register of contracts in which directors are interested :**

The Company shall keep a Register in accordance with Section 189 of the Act and shall

within the time specified in Section 189 of the Act enter therein such of the particulars as may be relevant having regard to the application thereto of Section 188 and 184 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies corporate and firms of which notice has been given by him under Article 142, 143. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required by any Member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

**149. Directors may be directors of companies promoted by the Company :**

A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197 or Section 188 of the Act may be applicable.

**150. Rotation and retirement of Directors :**

At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The non-retiring Directors, Independent Directors and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire.

**151. Ascertainment of directors retiring by rotation & filing of vacancies :**

Subject to Section 152 of the Act and these Articles the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

**152. Eligibility for re-election :**

Retiring Director shall be eligible for re-election.

**153. Right of person other than retiring Directors to stand for directorship :**

(a) No person not being retiring Director shall be eligible for appointment of the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left or caused to be left at the office of the Company a notice in writing under his hand signifying his candidature for the Office of Director or the intention of such Member to propose him as a candidate for that office along with a deposit of one lakh rupees which shall be refunded to such person or, as the case may be, to such member, if the Person succeeds in getting elected as Director.

(b) Every person (other than a Director retiring by rotation or otherwise or a person

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

- (c) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 and 169 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

**154. Company to appoint successors :**

Subject to Section 152 of the Act the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

**155. Appointment of directors not to be made by single resolution :**

- (a) At any general meeting of the Company, a motion shall not be made for the appointment of two or more person as Directors of the Company by a single resolution, unless resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- (b) A resolution moved in contravention of sub-article (a) of this Article shall be void whether or not objection was taken at the time of its being so moved; Provided that where resolution so moved is passed, no provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply.
- (c) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

**156. Provision in default Appointment :**

- (a) If the place of the retiring Director is not filled up and the Meeting has not expressly resolved not to fill vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and that Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless
  - (i) at that Meeting or at the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost;

- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
- (iii) he is not qualified or is disqualified for appointment
- (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act.

**157. Company may increase or reduce the number of directors :**

Subject to Section 149 of the Act the Company in General Meeting by special Resolution, from time to time, may increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provisions of Section 169 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person instead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed

**158. Authority to Sign, Execute**

All cheques, promissory notes, drafts, hundies, 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 manner as the Board shall from time to time by resolution determine.

**159. Register of directors etc. & notification of change to registrar :**

The Company shall keep at its Office a Register, containing the particulars of its Directors, Managers, Secretaries, and other persons mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

**160. Register of shares or debentures held by director :**

The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

**161. Disclosure by director of appointment to any other body corporate :**

Every Director (including a person deemed to be a Director by virtue of the Explanation to Section 170 of the Act), Managing Director, Manager or Secretary of the Company shall within twenty days of his appointment to any of the above offices in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 170 of the Act.

**162. Discloser by director of his holdings of shares and debentures of the Company etc**

Every Director and every person deemed to be a Director of the Company by virtue of Section 170 of the Act, shall give notice to the Company of such matters relating to himself as

may be necessary for the purpose of enabling the Company to comply with the provisions of that section.

### **MANAGING DIRECTOR**

**163. Managing Director :**

- (a) Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be the Managing Director or Directors of the Company and the remuneration payable to such Managing Director or Directors shall be determined by the Board of Directors, in accordance with and subject to the provisions of Section 197 and Schedule V of the Act.
- (b) A Managing Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act.

**164. Certain person not to be appointed managing director :**

Pursuant to provisions of Section 196(3) of the Companies Act, 2013, the Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or whole-time Director who –

- a) is below the age of twenty-one years or has attained the age of seventy years:  
Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;
- b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
- c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
- d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

**165. Special Position of Managing Director :**

A Managing Director shall ipso facto and immediately cease to be a Managing Director if he ceases to hold the Office of a Director

### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

**166. Meetings of Directors :**

Directors may meet together as a board for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such Meetings shall be

held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit.

**167. Notice of meetings:**

Notice of every Meeting of the Board shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director and in addition, to every Director resident outside India, written notice shall be given at his usual address outside India.

**168. Quorum:**

Subject to Section 174 of the Act, the quorum for a Meeting of the Board shall be one-third of its total strength (any fraction contained in that one-third being round off as one) or two Directors, whichever is higher, provided that no quorum shall be formed or constituted at the meeting of Board of Directors and provided further that where at any meeting the number of interested Director exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the Directors who are not interested, present at the Meeting being not less than two, shall be the quorum during such time. For the purpose of the above,

"Total strength" means the total strength of the Board of Directors of the Company as determined in pursuance of the Act, after deducting there from the number of the Directors, if any, whose places may be vacant at the time;

"Interested director" means any Director whose presence cannot, by reason of this Article or any other provisions in the Act, count for the purpose of forming a quorum at a meeting of the Board, at the time of any discussion or vote on any matter.

**169. Adjournment of meeting for want of quorum:**

- (a) If a meeting of the Board could not be held for want of quorum, then unless the Directors present at such meeting otherwise decide, the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the succeeding day which is not a public holiday at the same time and place.
- (b) The Provisions of these Articles shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms of that Article could not be held for want of a quorum.
- (c) 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.

**170. When meeting to be convened :**

- (a) The Secretary shall, as and when directed by a Director to do so, convene a Meeting of the Board by giving a notice in writing to every other Director.
- (b) A director may, and the manager or secretary on the requisition of a director shall, at any time summon a meeting of the Board.

**171. Chairman :**

- (a) The Board may elect a Chairman of its meeting and determine the period for which he is to hold office.
- (b) If no such Chairman is elected, or if at any meeting the Chairman 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 Chairman of the meeting.

**172. Questions at Board meetings how decided :**

Questions arising at Meetings of the Board of Directors or a Committee thereof shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or in his absence the Vice-Chairman (if any) shall have a second or casting vote.

**POWERS OF BOARD MEETINGS****173. Certain power to be exercised by a Board meeting only :**

- (a) A Meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.
- (b) The Board shall exercise the following powers on behalf of the Company, and it shall do so only by means of resolutions passed at its meetings :
  - (i) the power to make calls on shareholders in respect of money unpaid on their shares;
  - (ii) the power to authorise the buy-back referred to in the first proviso to Section 68;
  - (iii) the power to issue debentures;
  - (iv) the power to borrow moneys otherwise than debentures;
  - (v) the power to invest the funds of the Company;
  - (vi) the power to make loans;
  - (vii) to make political contributions;
  - (viii) to appoint or remove KMP
  - (ix) to take note of appointment(s) or removal(s) of one level below the KMP
  - (x) to appoint internal auditors and secretarial auditor
  - (xi) to take note of the disclosure of director's interest and shareholding

- (xii) to buy, sell investments held by the company (other than trade investments), constituting 5% or more of the paid up share capital and free reserves of the investee company
- (xiii) to invite or accept or renew public deposits and related matters
- (xiii) to review or change the terms and conditions of public deposit
- (xiv) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in Section 179.

**174. Directors may appoint committee :**

Subject to the restriction contained in Section 179 of the Act the Board may delegate any of their powers to Committees of the Board consisting of such member or members of its body as it thinks fit any committee so formed shall, in the exercise of the powers so delegated, conform to any regulation that may be imposed on it by the Board, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purpose but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of the appointment but not otherwise, shall have the like force and effect as if done by the Board.

**175. Meeting of committee to be governed :**

- (a) Subject to the provisions of these Articles, the Meetings and proceedings of any such Committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the Meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
- (b) Chairman of committee :
  - (i) A committee may elect a chairman of its meetings.
  - (ii) If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their number to be chairman of the meeting.
- (c) A committee may meet and adjourn as it thinks proper.
- (d) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present. The Chairman shall have a second or casting vote.



**176. Remuneration of members of committee :**

The Board may, subject to the provisions of the Act, from time to time fix the remuneration to be paid to any member or members of their body, constituting a committee appointed by the Board in terms of these Articles and may pay the same.

**177. Resolution by circulation :**

- (a)** No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a Meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee, at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.
- (b)** 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, 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 of committee, duly convened and held.

**178. Acts of Board or Committee valid notwithstanding invalid appointment :**

All acts done by any Meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

**179. Audit Committee :**

- (a)** Subject to provisions of Section 177 of the Companies Act, 2013, Company shall constitute a committee of the Board known as Audit Committee.
- (b)** Every Audit Committee so constituted shall act in accordance with terms of reference to be specified in writing by the Board.
- (c)** The members of the Audit committee shall elect a Chairman from amongst themselves.
- (d)** The annual report of the Company shall disclose the composition of the Audit Committee.

- (e) The Auditor, internal Auditor, if any, and the director-in-charge of finance shall attend and participate in the meeting of Audit Committee but shall not have right to vote.
- (f) The Audit Committee shall held discussions with the Auditors periodically about the internal control system, the scope of audit, including the observations of the auditors and reviews of half-yearly and annual financial statements before submission to the Board and also ensure compliances of internal control systems.
- (g) The recommendations of the Audit Committee on any matter relating to financial management, including audit report, shall be binding on Board.
- (h) If Board does not accept recommendations of the Audit Committee, it shall record the reasons therefore and communicate such reasons to the shareholders.
- (i) The Chairman of the Audit Committee shall attend the annual general meeting of the Company to provide any clarification on matters relating to audit.

**180. Minutes of proceeding of meetings of the Board :**

- (a) The Company shall cause minutes of all proceedings of every Meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such Meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each Meeting in such book shall be dated and signed by the Chairman of the said Meeting or the Chairman of the next succeeding Meeting.
- (c) In no case the minutes of proceedings of a Meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The Minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of officers made at any of the Meetings aforesaid shall be included in the Minutes of the Meeting.
- (f) The minutes shall also contain - The names of the Directors present at the Meeting; and In the case of each resolution passed at the Meeting, the names of the Directors, if any dissenting from, or not concurring in the resolution.
- (g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion of any such Minutes of any matter which, in the opinion of the Chairman of the Meeting-
  - (i) is, or could reasonably be regarded as defamatory of any person;
  - (ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interest of the Company.

**(h)** The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the grounds specified in this sub-clause.

(i) Minutes of Meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

### **181. General Meeting hereto :**

Where minutes of the proceedings of any general meeting, where minutes of the proceedings of the Company or of meeting of its Board of Directors or of a committee of the Board have been made and signed in accordance with the provisions of Articles 125 and 177 then, until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place, and in particular, all appointments of directors or liquidators made at the meeting shall be deemed to be valid.

### **182. Power of Directors :**

The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting -

- (a)** to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
- (b)** to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- (c)** to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:
- (d)** to remit, or give time for the repayment of, any debt due from a director.
- (e)** contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 197 of the Act during the three financial years immediately preceding, whichever is greater;

- (f) purchase or otherwise acquire any real estate, rights or privileges of a Capital nature or sell or dispose of in any way any such property, rights or privileges;
- (g) give any guarantee or any indemnity in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company;
- (h) recommended any dividends;  
every resolution passed by the Company in general meeting in relation to the exercise of the power referred to in clause (4) shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be, the total amount which may be contributed to charitable and other funds in any financial year under clause (e) the expression "temporary loans" means loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a Capital nature.

### **183. Certain Power of the Board :**

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power -

- (a) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (b) To pay and charge to the Capital account of the Company and commission or interest lawfully payable there out under the provisions of the Act.
- (c) Subject to Sections 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (d) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled Capital or not so charged.
- (e) To secure the fulfillment of any contracts on engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the time being or in such manner as they may think fit.

- (f)** To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (g)** To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.
- (h)** To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon.
- (i)** To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (j)** To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (k)** Subject to the provisions of Sections 179, 185 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and, in such manner as they may think fit, and from time to time to vary or realize such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- (l)** To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (m)** To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.
- (n)** To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.
- (o)** To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or connections of such persons, by building or contributing to the building of houses, dwellings or chawls, or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating, and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and

by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim or support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.

- (p) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay Debentures or Debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 to invest the several sums so set aside or, so much thereof as required to be invested, upon such Investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board, in their absolute discretion, think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the Capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or Debenture-stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine per cent per annum.
- (q) To appoint, and at their discretion remove or suspend such general managers and managers, secretaries, assistants supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the following four sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- (r) To comply with the requirements of any local law which in their opinion it shall in the interests of the Company be necessary or expedient to comply with.
- (s) From time to time and at any time to establish any Local board for managing any of

the affair of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, and to fix their remuneration.

- (t) Subject to Section 179 of the Act, from time to time, and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrows moneys, and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- (u) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers; authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the Members or any of the Members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.
- (v) Subject to Sections 188 and 174 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- (w) From time to time to make; vary and repeal bye laws for the regulation of the business of the Company, its officers and servants.
- (x) When the Company has issued shares to the Directors shall have the power to make compensation, by cash payment out of the Company's funds for any loss arising from a transfer of any such shares in pursuance of a forged transfer or of a transfer under a forged power of attorney whether the person receiving such compensation, or any person through whom he claims, has or has not paid any fee, or otherwise contributed to any fund out of which the compensation is to be paid.
- (y) The Directors, by fees or otherwise, are hereby expressed to provide a fund to meet claims for compensation and to raise the amount by mortgages and to impose such reasonable restrictions on the transfer of shares or with respect to power of attorney for the transfer thereof, as they may consider requisite for guarding against losses arising from forgery.

- (z) This Article will not be deemed as imposing upon the Company, or the Directors, any obligation to pay.

## **MANAGEMENT**

### **184. Prohibition of simultaneous appointment of different categories of managerial personnel :**

The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely :

- (a) Managing Director, and
- (b) Manager

### **185. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

- (a)
  - (i) 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;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (b) 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.

### **186. Board Level Protective Affirmative Rights**

No resolution of the Board or committee of the Board shall be passed on any of the matters listed in this Article till the second anniversary from 12 October 2015 without the prior written approval of Mr. Ashok V. Hiremath. It is hereby clarified that none of the matters set out in this Article shall be presented for approval at a shareholders' meeting of the Company if the presentation of such matter has not been consented to by Mr. Ashok V. Hiremath.

- (a) Any change in capital structure of the Company;
- (b) The entry into, or variation, or waiver of any breach of, or discharge of any liability under, or terminating, any contract, transactions or arrangements (whether legally binding or not) with any shareholder or any of its related parties (as defined under Clause 49 of the Listing Agreement executed between the Company and the stock exchanges);
- (c) Capital expenditure or incurrence of any indebtedness by the Company such that the debt to equity ratio of the Company is greater than 2:1;



binding or not) with any shareholder or any of its related parties (as defined under Clause 49 of the Listing Agreement executed between the Company and the stock exchanges);

- (c) Capital expenditure or incurrence of any indebtedness by the Company such that the debt to equity ratio of the Company is greater than 2:1;
- (d) Any change of the charter documents of the Company if such change adversely impacts the Mr. Ashok V. Hiremath's shareholder rights in the Company;
- (e) Winding up, liquidation or dissolution of the Company;
- (f) The appointment, removal (other than for identified cause including gross negligence or fraud) and conditions of employment, including remuneration, of the Managing Director of the Company.

#### **THE SECRETARY**

##### **187. Secretary:**

The Directors may from time to time appoint a Secretary and, at their discretion, remove any such Secretary, perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint any person or persons (who need not be the Secretary) to keep the registers required to be kept by the Company; Provided that if the paid-up Capital of the Company shall exceed Rs.5Crores, then in such event, the Company shall appoint a whole-time Secretary, if so required by and as provided in the Act, and he/she shall possess such qualifications as may be prescribed from time to time by the rules made under said Act.

#### **THE SEAL**

##### **188. The seal, its custody and use :**

- (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an official seal for use in any territory, district or place outside India.

##### **189. Deeds how executed:**

Every deed or other instrument to which the Common Seal of the Company is required to be affixed shall, unless the same is executed by the duly constituted attorney, be signed by any two Directors or by any one Director and the Company Secretary or by any two Authorized Signatories appointed by the Board for the purpose;  
Provided nevertheless that in respect of certificates of securities issued by the Company the Common Seal shall be affixed in accordance with the provisions of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014.

\*Substituted vide Special Resolution passed by the Shareholders at the 22nd (Twenty Second) Annual General Meeting of the Company held on Tuesday, 26th July, 2016.

## **DIVIDENDS**

### **190. Division of profits :**

The profits of the Company, subject to the provisions of Section 123 of the Act and subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of Capital paid-up or credited as paid-up on the shares held by them respectively.

### **191. The company in general meeting may declare dividend :**

The Company in General Meeting may declare dividend to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare lesser dividend.

### **192. Dividends only to be paid out of profits :**

If so required by the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both; Provided that

- (a)** If the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years.
- (b)** If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of section 123 of the Act or against both.
- (c)** Provided further that, no dividend shall be declared or paid for any financial year out of the profits of the Company for that year arrived at after providing for depreciation as above, except after the transfer to the reserves of the Company of such percentage of its profits for that year as may be prescribed in accordance with Section 205 of the Act or such higher percentage of its profits as may be allowed in accordance with that Section.
- (d)** The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such

investments (other than shares of the company) as the Board may, from time to time, think fit.

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

**193. Interim dividend:**

The Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

**194. Capital paid up in advance at interest not to earn dividend :**

Where Capital is paid in advance of calls, such Capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

**195. Dividend in proportion to amount paid up :**

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.

**196. Payment of Dividend :**

All the dividend if declared by the members shall be apportioned and paid proportionately to the amount paid or credited as paid on the shares on pari passu basis with the existing shareholders for whole of the year in which the shares have been issued and for each subsequent years.

**197. Dividend etc. to joint holders :**

Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus payments on accounts of dividends or bonus or other moneys payable in respect of such shares.

**198. No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereat :**

No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever; either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.

**199. Right to dividend pending registration of transfer :**

A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

**200. Notice of Dividend**

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.

**201. Dividends how remitted :**

Unless otherwise directed any dividend may be paid by cheque or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, for any dividend lost to the Member or person entitled thereto by the forged endorsement of any dividend cheque or the fraudulent recovery of the dividend by any other means. Provided that the Company can also pay the dividend by crediting it directly to the bank account of the shareholders through Electronic fund transfer system of the banks or any other mode which, in the opinion of the Board of Directors, is appropriate for payment of dividend to the shareholders.

**202. Retention in certain clause :**

The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause (Article 71) entitled to become a member, or which any person under that clause is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

**203. No interest on dividends :**

Subject to the provisions of Sections 123 to 126 of Act, no unpaid dividend shall bear interest as against the company. No unclaimed dividend shall be forfeited till the claim thereto becomes barred by law.

**204. Dividend and call together :**

At any General Meeting declaring a dividend may on recommendation of the Directors make a call on the members of such amount as the Meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the company and the Member, be set off against the calls.

**RESERVES****205. Creation of the Reserves :**

The Board may, from time to time, before recommending any dividend, set apart any or such part of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidations of any debentures, debts or other liabilities of the Company for equalizations of dividends for repairing improving or maintaining any of the property of the Company and for such other purpose of the Company and for such other purposes of the Company as the

Board in its absolute discretion thinks conducive to the interest of the Company, and may subject to the provisions of the section 186 of the Act invest the several sums so set aside upon such investments (other than the shares of the Company) as it may think fit from time to time, deal with and vary such investments and dispose of all or any part thereof for the benefits of the Company and may divide the reserves into such special funds as it think fit, with full power to employ the Reserves or any part of business of the Company, and that without being bound to keep separate from the assets.

### **INVESTMENTS**

#### **206. Investment in Money :**

All money carried to the reserve shall nevertheless remain as the profits of the Company applicable, subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other monies of the Company not immediately required for the purposes of the Company may, subject to the provisions of Section 186 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as the working Capital or may be kept at the Bank on deposit or otherwise as the Board may, from time to time, think proper.

### **CAPITALISATION**

#### **207. Capitalisation :**

- (a)** The Company in General Meeting may resolve that any money, investments or other assets forming part of undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend (representing premium received on the issue of shares and standing to the credit of the Securities Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as Capital and that all or any part of such Capitalised fund be applied on behalf of such shareholder in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or Debentures or Debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability or any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said Capitalised sum; Provided that a Securities Premium Account and Capital Redemption Reserve Account may, for the purpose, this Article, only be applied in the paying of any un-issued shares to be issued to Members of the Company as fully paid bonus shares.
- (b)** Company in a General Meeting may resolved that any surplus moneys arising from the realisation of any Capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax be distributed among the Members on the footing that they receive the same as Capital.
- (c)** For the purpose of giving effect to any resolution under the preceding paragraphs of

this article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any Members upon the footing of the value so fixed or that any fraction of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets, in trustees upon such trusts for the person entitled to the dividend or Capitalised fund as may seem expedient to the Board, where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act, 2013, and the Board may appoint any person to sign such contracts on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

## **ACCOUNTS**

### **208. Directors to keep true accounts :**

- (a)** The Company shall keep at the office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 128 of the Act with respect to:
  - (i) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
  - (ii) all sales and purchases of goods by the Company;
  - (iii) the assets and liabilities of the Company.
- (b)** Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company, the Company shall within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.
- (c)** The Company shall preserve in good order the Books of Account relating to a period of not less than eight years proceeding the current year together with the vouchers relevant to any entry in such Books of Account.
- (d)** Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns made upto dates at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Account are kept as aforesaid.
- (e)** The Books of Account shall give a true and fair view of the state of the affairs of the Company or branch office, as the case may be, and explain its transactions. The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

**209. As to inspection of accounts or books by members :**

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, and no Member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board.

**210. Statement of accounts to be furnished to General Meeting :**

The Directors shall from time to time, in accordance with Section 128, 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by these sections.

**211. Copies to be sent to each member :**

A copy of every Profit and Loss Account, Balance Sheet and Cash Flow Statement (including the Auditors' Report or every other document required by law be annexed or attached to the Balance Sheet) shall, at least Twenty-one days before the date of the meeting at which the same are to be laid before the member be sent to the members of the Company, to every trustee for the holders of any debentures issued by the Company. Whether such member or trustee is not entitled to have notices of General meeting of the Company sent to him and to all persons other than such members or trustees being persons so entitled. Provided, however, that the Company may if it deems fit make available the copies of documents aforesaid for inspection at its Registered Office during working hours for a period of twenty one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form as provided under the provisions of Section 136 of the Act, every member of the Company and to every trustee for the holders of any debentures issued by the Company not less than twenty-one days before the date of the meeting.

**212. Accounts to be audited :**

Auditors shall be appointed and their rights and duties regulated in accordance with Sections 139 and 147 of the Act.

**DOCUMENTS AND NOTICES****213. Service of documents of notices on members by Company :**

A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.

**214. Where a document or notice is sent by post :**

Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the document or notice, provided that where a Member has intimated to the Company in

advance that documents or notice should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and, such service shall be deemed to have been effected in the case of a Notice of a Meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

**215. By advertisement:**

A document or notice advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

**216. On joint holders:**

A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the document or notice on or to the joint-holder named first in the Register of Members in respect of the share.

**217. On personal representatives etc.:**

A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in pre-paid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

**218. To whom documents or notices must be served or given:**

Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore authorised on or to (1) every Member, (2) every person entitled to a share in consequence of the death or insolvency of a member, and (3) the Auditor or Auditors for the time being of the Company.

**219. Members bound by documents or notices served on or given to previous holders:**

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



**220. Document or notice by Company and signature thereto :**

Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.

**221. Authentication of Documents and proceedings :**

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by the Director, the Manager or the secretary or other authorised officer of the Company and need not be under the Common seal of the Company.

**KEEPING OF REGISTER AND INSPECTION****222. Registers etc. to be maintained by the Company :**

The Company shall duly keep and maintain at the office, Register in accordance with 46, 62, 85, 88, 186, 187, 188, 189, 170 of the Act and Rule 72(2) of the Companies (Issue of Share Certificates) Rules, 1960.

**223. Supply of copies of the Register :**

The Company shall comply with the provisions of Section 17,94,117,119, 127,136,189,190,186 of the Act as to the supplying of the copies of the Registers, deeds, documents, instruments, returns, instruments, returns, certificates and books therein to the persons therein specified, when so required by such persons, on the payments of charges, if any, prescribed by the said sections.

**224. Inspection of Registers etc. :**

Where under any provisions of the Act any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the Company, the person entitled to inspection, shall be permitted to inspect the same during the hours of 2 p.m and 4 p.m on such business day as the act required them to be opened for inspection

**RECONSTRUCTION****225. Reconstruction :**

Where the Company seek to reconstruct its Capital structure then the Company shall make an application to the Tribunal for sanctioning the scheme of compromise or arrangement between the Company and such other persons as are mentioned in that section and such compromise or arrangement shall subject to the provisions of the Act.

**WINDING UP****226. Distribution of Assets :**

If the Company shall be wound up, assets available for the distribution among the members as such shall be insufficient to repay whole of the Capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion of the paid up share Capital or which out to be have been paid at the time of commencement of winding up, on shares held by them respectively and if in the winding up the assets available amongst the members shall be sufficient to repay at the time of commencement of the winding up then the excess shall be distributed amongst the members in proportion of their Capital at the time of commencement of winding up or which out to have been paid up in the respect of shares held by them respectively. But this article is without prejudice to the right of the holders of the shares upon the special terms and conditions.

**227. Liquidator may divide assets in specie :**

- (a)** The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.
- (b)** 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.
- (c)** 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.
- (d)** 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 as the liquidator with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

**228. Right of shareholders in case of sale :**

A Special resolution sanctioning a sale or any other Company duly passed pursuant to section 319 of the Act may subject to the provisions of the Act in the like manner as aforesaid determine that any shares or other consideration receivable by the liquidator be distributed amongst the members otherwise than in accordance with their existing rights and such determination shall be binding upon all the members subject to the right of dissent and consequential rights conferred by the said section.

**INDEMNITY AND RESPONSIBILITY****229. Indemnity and Responsibility :**

Every director, officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged.

**230. Secrecy Clause :**

- (a)** Every Director, Manager, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so, required to by the Directors, before entering upon his duties, sign a declaration pledging himself to observe such secrecy as the Board shall deem appropriate respecting all transactions and affairs of the Company with the customers and the state of the 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 Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b)** No Member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

DATED AT BOMBAY THIS 10TH DAY OF JANUARY, 1994

TEJASHREE ROHAN  
PRADHAN

[illegible]

**Tejashree Pradhan**  
**Company Secretary & Compliance Officer**