

These Articles of Association were adopted by a Special resolution of the Company passed at an Extraordinary General Meeting held on 13th April, 1964.

**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**COROMANDEL INTERNATIONAL LIMITED**

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| 1. No regulations contained in Table A, in the First Schedule to the Companies Act, 1956, or in the schedule to any previous Companies act, shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these articles. | Table <b>A</b> not to apply but Company to be governed by these Articles. |
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**INTERPRETATION**

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| 2. In the interpretation of these Articles, unless repugnant to the subject or context:-  | Interpretation clause.          |
| "The Company" or "this Company" means Coromandel International Limited.   | "The Company" or "this Company" |
| "The Act" means "The Companies Act, 1956", or any statutory modification or re-enactment thereof for the time being in force.                             | "The Act"                       |
| "In writing" and "written" include printing, lithography and other modes of representing or reproducing words in a visible form.                          | "In writing" and "written"      |
| "Member" means the duly registered holder, from time to time, of the shares of the Company and includes the subscribers of the Memorandum of the Company. | "Member"                        |
| "Office" means the Registered Office for the time being of the Company.   | "Office"                        |
| "Paid-up" includes credited as paid up.   | "Paid-up"                       |
| "Persons" includes corporations as well as individuals  | "Persons"                       |
| "The Registrar" means the Registrar of Companies, Andhra Pradesh.   | "The Registrar"                 |

"Secretary"	"Secretary" means the Company Secretary within the meaning of section 2(45) of the Company Secretaries Act, 1980 and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by the Secretary under the Act and any other ministerial or administrative duties.
"Seal"	"Seal" means the Common Seal for the time being of the Company.
"Singular number"	Words importing the singular number include, where the context admits or requires, the plural number and <i>vice versa</i> .
"Year" and "Financial Year"	"Year" means the calendar year and "Financial year" shall have the meaning assigned thereto by Section 2(17) of the Act.
"Marginal Notes"	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 in these Articles.

## **CAPITAL AND INCREASE AND REDUCTION IN CAPITAL**

"Amount of capital"	3.	<p>*"The Authorised Share Capital of the Company is Rs.40,00,00,000 (Rupees Forty Crore only) divided into 35,00,00,000 (Thirty five Crore) equity shares of Re.1/- each and 50,00,000 (Fifty Lakh) cumulative redeemable preference shares of Rs.10/- each."</p> <p>*As amended vide Orders of the High Court of Andhra Pradesh and the High Court of Gujarat, dated 7th April 2014 and 24th April 2014, respectively, approving the Scheme of Amalgamation of Liberty Phosphate Limited, Liberty Urvarak Limited and Coromandel International Limited.</p>
Restrictions on allotment	4.	<p>(a) The Directors shall in making the allotments duly observe the provisions of the Act.</p> <p>(b) The amount payable on application on each share shall not be less than 5 percent of the nominal amount of the share.</p> <p>(c) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.</p>
Increase of capital by the Company, and how carried into effect.	5.	The Company in General Meeting may, from time to time, increase the authorised capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution shall prescribe 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 87 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 97 of the Act.

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| 6.  | Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.  | New capital same as existing capital      |
| 7.  | Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are, or at the option of the Company are to be liable, to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.   | Redeemable Preference Shares              |
| 8.  | Subject to the provisions of Sections 78,80,100 to 105 inclusive of the Act the Company in General Meeting may, from time to time, by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or premium account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.  | Reduction of capital                      |
| 9.  | Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time sub-divide or consolidate its shares. Subject as aforesaid the Company in General Meeting may cancel shares, which have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.   | Sub-division and consolidation of shares. |
| 10. | Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class and all the provisions hereinafter contained with respect to General Meeting, shall, mutatis mutandis, apply to such meeting. | Modification of rights                    |

## **SHARES AND CERTIFICATES**

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| 11. | The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. | Register and Index of Members. |
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Shares to be numbered progressively and no share to be sub-divided.	12.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
Restriction on allotment	13.	The Board shall observe the restrictions as to allotment of shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.
Further issue of capital	14	<p>(a) Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit to the capital paid up on those shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. 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 may dispose of them in such manner as they think most beneficial to the Company.</p> <p>(b) Notwithstanding anything contained in the preceding clause, the Company may</p> <p style="padding-left: 40px;">(i) by a special resolution, or</p> <p style="padding-left: 40px;">(ii) by an ordinary resolution and with the consent of the Central Government,</p> <p style="padding-left: 40px;">issue 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.</p> <p>(c) Notwithstanding anything contained in clause (a) above, but subject however to Section 81 (3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.</p>
Shares under control of Board	15.	Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Board thinks fit and with full power to allot shares of any class of the Company either, subject to the provisions of Sections 78 and 79 of the Act, at a premium or at par or at a discount provided that option or right to call of shares shall not be given to any person

except with the sanction of the Company in general meeting. The Board shall cause to be made the returns as to allotment provided for in Section 75 of the Act.

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| 16. | In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15 the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either, subject to compliance with the provisions of Sections 78 and 79 of the Act, at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the Company either, subject to compliance with the provisions of Section 78 and 79 of the Act, at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares. | Power also to Company in General Meeting to issue shares.  |
| 17. | 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 of Members shall, for the purposes of these Articles, be a Member.   | Acceptance of shares                                       |
| 18. | 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 inscription 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.  | Deposit and calls, etc., to be a debt payable immediately. |
| 19. | 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 these Articles, require or fix for the payment thereof.   | Liability of Members                                       |
| 20  | (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 requisit value, save in cases of issues against letters   | Share Certificates.  |

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 the 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 the Managing Director or the Deputy Managing Director, if any, or a wholetime Director, if any. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee one. 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. The Company shall comply with the provisions of Section 113 of the Act.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

Renewal of share  
certificate

- 21. (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages 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. No fee shall be charged for a certificate issued in terms of this Article.
- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of share certificate No ..... sub-divided/replaced/on consolidation of shares".
- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding Rupees two as the Board may from time to time fix, and on such terms, if any, as to evidence and indemnity as to payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board think fit.

- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Duplicate issued in lieu of share certificate No .....". The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons 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.
- (f) All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (g) The Managing Director and the Deputy Managing Director, if any, for the time being or, if the Company has no Managing Director every Director 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 in clause (f) of this Article.
- (h) All books referred to in clause (g) of this Article shall be preserved in good order permanently.

22. If any share stands in the names of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus, or service of notices and all or any other matter connected with the Company, except voting at the 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 instalments and calls due in respect of such share, and for all incidents thereof according to these Articles.

The first named joint-holder deemed sole holder

23. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise 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 Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to

Company not bound to recognise any interest in Shares other than that of registered holder.



register any share in the joint names of any two or more persons or the survivor or survivors of them.

Funds of Company may not be applied in purchase of shares of the Company.

24. 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 77 of the Act.

Buy Back of shares

24A. Notwithstanding anything contained in the preceding Article 24, but subject to the provisions of the Act and all other applicable provisions of law, as may be in force for the time being and from time to time, the Company may buy back / purchase any of its equity shares at such price and on such terms as the Board may deem fit and proper and make the payment for such shares, which shall be extinguished.

### **UNDERWRITING AND BROKERAGE**

Commission may be paid

25. Subject to provisions of Section 76 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 subscription (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half percent of the price at which debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

Brokerage.

26. The Company may pay a reasonable sum for brokerage.

### **CALLS**

Board may make calls.

27. 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 a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

Notice of calls.

28. Thirty days notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be made.

Calls to date from resolution.

29. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.

Liability of joint-holders.

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



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| 31. | 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.   | Board may extend time.                         |
| 32. | 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 9 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.  | Calls to carry interest.                       |
| 33. | 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 of which due notice has been given and payable on the date on which by the terms of issue the same became 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.  | Sums deemed to be calls.                       |
| 34. | 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 sought to be recovered; is alleged to have become due on the shares in respect of which such 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 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 Meeting at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt. | Proof on trial of suit for money due on share. |
| 35. | Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.  | Partial payment not to preclude forfeiture.    |

Payment in anticipation of calls may carry interest.

36. (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 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 advances are made, the Board may pay or allow interest at such rate, not exceeding without the sanction of the Company in General Meeting 9 per cent per annum, as the Member paying the sum in advance and the Board agree upon provided that money paid in advance of calls shall not confer a right to dividend or to participate in profits. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the money so paid by him until the same would but for such payment become presently payable.

### **LIEN**

Company to have lien on shares.

37. The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each Member (whether solely or jointly with others), and upon the proceeds of sale thereof or moneys called or payable at a fixed time in respect of such share whether the time for payment shall actually have arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Article 23 hereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

As to enforcing lien by sale

38. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as it shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of its number to execute a transfer thereof on behalf of and in the name of such Member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of proceeds of sale.

39. 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 person entitled to the shares immediately prior to the sale.

## FORFEITURE OF SHARES

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| 40. | If any Member fails to pay any call or instalment 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 instalment 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.   | If money payable on share not paid, notice to be given to member.         |
| 41. | The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate not exceeding 9 per cent per annum as the Board shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. | Terms of notice.  |
| 42. | 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 instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.   | In default of payment shares to be forfeited                              |
| 43. | When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.  | Notice of forfeiture to a member  |
| 44. | Any share so forfeited shall be deemed to be the property of the Company, and 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.   | Forfeited share to be property of the Company and may be sold, etc.       |
| 45. | Any member whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, 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 9 percent per annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.   | Member still liable to pay money owing at time of forfeiture and interest |
| 46. | 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   | Effect of forfeiture  |

share, except only such of those rights as by these Articles are expressly saved.

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| Evidence of forfeiture   | 47. | A declaration in writing that the declarant is a Director 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.   |
| Validity of sale under Articles 38 and 44.                         | 48. | 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 of Members 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. |
| Cancellation of share certificates in respect of forfeited shares. | 49. | 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 Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.  |
| Power to annul forfeiture.   | 50. | 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**

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| Register of Transfers.                       | 51. | 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.  |
| Form of transfer.                            | 52. | The instrument of transfer of any share shall be in the form prescribed pursuant to the provisions of the Act.  |
| To be executed by transferor and transferee. | 53. | Every such instrument of transfer shall be executed both by the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.  |
| Transfer books when closed.                  | 54. | The Board shall have power on giving not less than seven days' previous notice by advertisement in a newspaper circulating in the district in which the Office is situate to close 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, as to it may seem expedient. |

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| 55. | Subject to the provisions of Section 111 of the Act, the Board may at its discretion, decline to register or adcknowledge any transfer of shares, whether fully paid or not (notwithstanding that the proposed transferee be already a Member) but in such cases it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal, provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.   | Board may refuse to regiser transfers.                                |
| 56. | 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 110 of the Act.   | Notice of application when to be given.                               |
| 57. | 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 recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.   | Death of one or more joint-holders of shares.                         |
| 58. | The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased Member (not being one of two or more joint-holders) shall be the only persons recognised 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 recognise 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, it 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 absoute discretion may think necessary and under Article 60 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member. | Title to shares of deceased Member.                                   |
| 59. | No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.  | No transfer to infant, etc.   |
| 60. | Subject to the provisions of Articles 57 and 58, 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 accordnace 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   | Registration of persons entitled to shares otherwise than by transfer |

proposes to act under this Article, or of his 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 hereincontained, and until he does so, he shall not be freed from any liability in respect of the shares.

Persons entitled may receive dividends without being registered as Member.

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

Transfer to be presented with evidence of title.

62. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the 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.

Conditions of registration of transfer.

63. Before the registration of a transfer, the certificate of the share to be transferred or, if no such certificate is in existence, the letter of Allotment of such share must be delivered to the Company along with, save as provided in Section 108 of the Act, a properly stamped and executed instrument of transfer.

Fee on transfer or transmission.

64. No fee shall be charged in respect of transfers of shares.

The Company not liable for disregard of a notice prohibiting registration of a transfer.

65. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by 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 so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

## DEMATERIALISATION OF SECURITIES

Definitions

65A. 1) For the purpose of this Article:

"Beneficial Owner" means a person whose name is recorded as such with a Depository.



"SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

"Depositories Act" means Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.

"Depository" means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

"Member" means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as a Beneficial Owner in the records of the Depository.

"Debentureholder" means the duly registered holder from time to time of the debentures of the Company.

"Regulations" means the regulation made by SEBI.

"Security" means such security as may be specified by SEBI.

Words imparting the singular number only. include the plural number and vice versa.

Words imparting persons include corporations. Words and expressions used and not defined in this Article shall have the same meanings respectively assigned to them in the Depositories Act.

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| 2) | Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act. | Company to recognise interest in dematerialised securities under Depositories Act. |
| 3) | Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any.   | Dematerialisation / Rematerialisation of securities.                               |
| 4) | All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in sections 153, 153A, 153B, 187B, 187C, 372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.  | Securities in Depositories to be in fungible form.                                 |



Rights of Depositories  
and Beneficial Owners.

- 5) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.
- (c) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities of a member in respect of his securities which are held by a Depository.

Beneficial Owner  
deemed as absolute  
owner.

- 6) Except as ordered by a court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or 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 Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

Cancellation of  
certificates upon  
surrender by a person.

- 7) Upon receipt of certificate of securities surrendered by a person who has entered into an Agreement with the Depository through a Depository Participant, the Company shall cancel such certificate and substitute in its records the name of the Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

Options for investors

- 8) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

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| 9)  | Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository.  | Provisions of Articles to apply to shares held in Depository. |
| 10) | The shares in the capital shall be numbered progressively according to their several denominations, as provided in Article 12; however this shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form.  | Distinctive numbers of Securities.                            |
| 11) | The Company shall cause to be kept a Register and Index of Members and a Register and Index of Debentureholders in accordance with Sections 151 and 152 of the Companies Act respectively, and the Depositories Act, with details of shares and debentures held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Register and Index of Debentureholders, as the case may be, for the purposes of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country. | Register and Index of Beneficial Owners.                      |

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

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| 66. | Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 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. | Copies of Memorandum and Articles to be sent to Members. |
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### **BORROWING POWERS**

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| 67. | Subject to the provisions of Sections 292 and 293 of the Act and of these Articles, 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 Company. Provided, however, where the moneys to be borrowed together with the moneys already 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. | Power to borrow.                             |
| 68. | 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 Board may think fit, and in particular by a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of debentures or debenture stock of the Company, charged  | The payment or repayment of moneys borrowed. |

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.

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| Terms of issue of debentures             | 69. Any debentures 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 a Special Resolution of the Company in General Meeting. |
| Register of mortgages etc., to be kept   | 70. The Board shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 (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.   |
| Register and Index of Debenture-holders. | 71. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 of the Act.   |

## **MEETINGS OF MEMBERS**

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| Annual General Meeting and annual summary. | 72. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the Office or at some other place within the city in which the Office is situate as the Board may determine and the notice 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 Meetings. Every Member 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 there shall be laid on the table the Directors' Report and Audited Accounts and Balance Sheet, Auditors' Report (if not already incorporated in the Audited Accounts and Balance Sheet), 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 prepare the annual list of Members, Summary of Share Capital, Balance Sheet and Profit and loss Account and forward the same to the Registrar, in accordance with Sections 159, 161 and 220 of the Act. |
| Extraordinary General Meeting              | 73. The Board may, whenever it thinks fit, call an Extraordinary 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 of voting in regard to the matter in respect of which the requisition has been made.   |

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| 74. | 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; provided that such requisition may consist of several documents like form each signed by one or more requisitionists.   | Requisition of Members to state object of meeting.   |
| 75. | Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting and if it does not 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 45 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 169 (4) 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.   | On receipt of requisition, Directors to call meeting and in default requisitionists may do so. |
| 76. | 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.  | Meeting called by requisitionists.   |
| 77. | 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 (i) the consideration of the accounts, balance-sheet and reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting 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 business relates to or affects any other company, the extent of share holding 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 twenty 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. | Twenty one days' notice of meeting to be given.  |

Omission to give notice not to invalidate a resolution passed.	78. 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.
Notice of business to be given.	79. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.
Quorum at General Meeting.	80. Five Members present in person shall be a quorum for a General Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.
If quorum not present, meeting to be dissolved or adjourned.	81. If, within 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 within the city in which the Office is situate as the Board may determine, and if at such adjourned meeting a quorum is not present within 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.
Chairman of General Meeting.	82. The Chairman, if any, 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 ten minutes of the time appointed for holding such meeting or shall decline to take the chair, then the Managing Director whom failing the Deputy Managing Director shall be entitled to take the chair and failing all of them 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.
Business confined to election of Chairman whilst chair vacant.	83. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the chair is vacant.
Chairman with consent may adjourn meeting.	84. The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place within the city in which the Office is situate 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.
Questions at General Meeting how decided.	85. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) ordered to be taken by the Chairman on his own motion or on a demand being made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in

respect of the resolution or on which an aggregate sum of not less than Rs. 50,000 has been paid up. Unless a poll is so demanded and taken, a declaration by the Chairman that a resolution has on a show of hands, been carried or carried unanimously or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour or against that resolution.

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| 86. | In the case of an equality of votes the Chairman shall not either on a show of hands or at a poll, if any, have a casting vote in addition to the vote or votes, if any, to which he may be entitled as a Member.   | Chairman's casting vote.                                      |
| 87. | If a poll is demanded as aforesaid the same shall subject to Article 85 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place within the city in which the Office is situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.    | Poll to be taken, if demanded.                                |
| 88. | Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers 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 scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause. | Scrutineers at poll.  |
| 89. | 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.  | In what case poll taken without adjournment.                  |
| 90. | The demand for a poll except on the questions 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.   | Demand for poll not to prevent transaction of other business. |

## **VOTES OF MEMBERS**

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| 91. | 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 calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien. | Members in arrears not to vote.           |
| 92. | Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of  | Number of votes to which Member entitled. |



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 shall have one vote and upon a poll every Member present in person or by proxy shall, subject to clause (b) of sub-section (1) of Section 87 of the Act, have one vote for every share held by him either alone or jointly with any other person or persons. Provided, however, if any preference shareholder be present at any meeting of the Company then save as provided in clause (b) of sub-section (2) of Section 87 of the Act he shall only have a right to vote in respect of such preference shares on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

Casting of votes by a Member entitled to more than one vote.

93. 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 votes or cast in the same way all the votes he uses.

How Members non-compos mentis and minor may vote.

94. 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.

Votes of joint Members

95. 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 of Members 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-holders thereof.

Voting in person or by proxy

96. 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 187 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.

Votes in respect of shares of deceased and insolvent Member.

97. Any person entitled under Article 60 to transfer any shares may vote at any General Meeting in respect thereof in the 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 Board of his right to transfer such shares and give such indemnity, if any, as the Board may require or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

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| 98. 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 corporation under the common seal of the corporation, or be signed by an officer or an attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.  | Appointment of proxy.   |
| 99. An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes 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.  | Proxy either for specified meeting or for a period.                             |
| 100. No Member present only by proxy shall be entitled to vote on a show of hands, unless such Member is a body corporate present by a proxy who is not himself a Member, in which case such proxy shall have a vote on the show of hands as if he were a Member.   | No proxy except for a body corporate to vote on a show of hands.                |
| 101. 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, and in default the instrument of proxy shall not be treated as valid.                   | Deposit of instrument of appointment  |
| 102. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.   | Form of proxy.  |
| 103. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death 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 share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting. | Validity of votes given by proxy notwithstanding death, revocation or transfer. |
| 104. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be 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.   | Time for objections to votes.   |
| 105. 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.  | Chairman of any Meeting to be the judge of validity of any vote.                |

Minutes of General Meeting and inspection thereof by Members.

106. (a) The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with Section 193 of the Act.
- (b) Any such minutes shall be evidence of the proceedings recorded therein.
- (c) The book containing the minutes of proceedings of General Meetings shall be kept at the Office 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**

Number of Directors.

107. Until otherwise determined by Special Resolution, the number of Directors (excluding Alternate Directors, if any) shall not be less than three nor more than fifteen.

Appointment of Alternate Director.

108. The Board may appoint an Alternate Director to act for one or more than one Director during the absence of such Director or Directors, as the case may be, for a period of not less than three months, from the State in which meetings of the Board are ordinarily held. An Alternate Director appointed under this Article or by a resolution passed by the Company in General Meeting shall not hold office as such for a longer period than that permissible to the Director or Directors, as the case may be, in whose place he has been appointed and shall vacate office if and when such Director or Directors, as the case may be, returns, or return to the State in which meetings of the Board are ordinarily held. Such Alternate Director shall be entitled to notice of meetings of the Board of Directors and to attend and vote thereat as a Director when the person or persons for whom he is appointed as an alternate is or are not personally present, and where the Alternate Director is himself a Director of the Company to have a separate vote or votes, as the case may be, on behalf of the Director or Directors for whom he is appointed as an alternate in addition to his own vote. If the term of office of the Director or Directors, as the case may be, for whom he is appointed as an alternate is determined before, he or they, as the case may be, returns or return to the State in which meetings of the Board are ordinarily held, any provision in the Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Director or Directors, as the case may be, for whom he is appointed as an alternate and not to the Alternate Director.

Directors may fill up vacancies and add to their number.

109. Subject to the provisions of Sections 260, 262, 264 and 284 (6) 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 or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum fixed as above.

109A Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit & Investment Corporation of India Limited (ICICI), Life Insurance Corporation of India (LIC), General Insurance Company of India (GIC), National Insurance Company Limited (NIC), The New India Assurance Company Limited (NIA), The Oriental Fire & General Insurance Company Limited (OFGI), United India Insurance Company Limited (UI) out of any loans granted by them to the Company or so long as Unit Trust of India (UTI) continue to hold debentures in the Company by private placement, IDBI, IFCI, ICICI, LIC, GIC, NIC, NIA, OFGI, UI and UTI (each of which is hereinafter in this Article referred to as, The Corporation'), shall each have the right to appoint from time to time any person as a Director (which Director is hereinafter referred to as, Nominee Director') on the Board of the Company and to remove from such office any person so appointed and to appoint any person in his place.

Power of Industrial Development Bank of India to appoint a Director.

Provided, however, that GIC, NIC, NIA, OFGI and UI collectively shall not at any one time appoint more than one Nominee Director. The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). At the option of the Corporation such Nominee Director(s) shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds debentures in the Company as a result of private placement and the Nominee Director(s) so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold such privately placed debentures in the Company.

The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director(s) is/are member(s) as also the minutes of such meetings. The Company shall pay to the Nominee Director(s) sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s) in connection with their appointment or directorship shall also be paid or reimbursed by the Company to the Corporation, or as the case may be, to such Nominee Director(s).

Provided that if any such Nominee Director(s) is/are an officer/officers of the Corporation, the sitting fees, in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Qualification of Directors.	of	110. No share qualification shall be necessary for any Director.
Remuneration of directors.	of	111. The fee payable to a Director including the Chairman for attending a meeting of the Board or Committee thereof shall be such sum as shall from time to time be determined by the Board within the limits prescribed in that behalf from time to time by the Central Government under or pursuant to the Act. The Managing Director, the Deputy Managing Director, if any and a Director who is not normally resident in India, shall not be entitled to receive any fee for attending a meeting of the Board or Committee thereof, but a resident Alternate Director for a Director, who is not normally resident in India, shall be entitled to receive such fee as is provided herein, PROVIDED HOWEVER that where an Alternate Director is himself a Director of the Company he shall not be entitled to receive any fee in his capacity as Alternate Director.
Special remuneration of Director performing extra service.		112. If any Director may be called upon to perform extra services or special exertions or efforts, the Board may arrange with such Director for such special remuneration either by a fixed sum or otherwise as may be determined by the Board, and such remuneration may be either in addition to or in substitution of his remuneration above provided.
Travelling expenses incurred by Director.		113. The Board may allow and pay to any Director such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, incurred in connection with the business of the Company, including attendance at a meeting of the Board or Committee thereof.
Directors may act notwithstanding vacancy.		114. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the minimum number fixed by Article 107 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number or of summoning a General Meeting, but for no other purpose.
When office of Director to become vacant.		115. The office of a Director shall become vacant - <ul style="list-style-type: none"> <li>(a) on the happening of any of the events mentioned in Section 283 (1) of the Act, or</li> <li>(b) if he is deemed to have vacated office under the provisions of Section 314 of the Act by any office or place of profit being held in contravention thereof, or</li> <li>(c) if he resigns his office by a notice in writing addressed to the Company.</li> </ul>

116. (a) Subject to Section 297 of the Act, a Director or his relative, a firm in which such a Director or relative is a partner, 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 the sanction of the Board is obtained before or within three months of the date on which the contract is entered into.
- Director may contract with the Company.
- (b) No sanction however shall be necessary to:
- (1) 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
  - 2) 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 do not exceed Rs. 5,000 in the aggregate in any year comprised in the period of the contract or contracts.

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 or contracts with the Company, even if the value of such goods or materials or the cost of such services exceeds Rs.5,000 in the aggregate in any year comprised in the period of the contract or contracts, if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract or contracts were entered into.

117. A Director who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement entered into, or a proposed contractor arrangement 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 299 (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 any such other 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 or the Company, as the case may be. 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
- Disclosure of interests

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.

Interested Director not to participate or vote in Board's proceedings.

118. No Director shall 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; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote his vote shall be void; Provided however that nothing herein contained shall apply to :

- (a) any contract of indemnity against any loss which the Directors, or any one or more of them, 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 or a public company in which the interest of the Director consists solely
  - (i) in his being
    - (a) a director of such company, and
    - (b) the holder of not more than shares of such number of 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 than 2 per cent of its paid up share capital.

Register of contracts in which Directors are interested.

119. The Company shall keep a register in accordance with Section 301 (1) of the Act and shall within the time specified in Section 301 of the Act enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The register aforesaid shall also specify, in relation to each Director, the names of the bodies corporate and firms of which notice has been given by him under Article 117. The Register shall be kept at the Office and shall be open to inspection of members in accordance with Section 301 (5) of the Act.



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| <p>120. 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 309 (6) or Section 314 of the Act may be applicable.</p>  | <p>Directors may be Directors of companies promoted by the company.</p> |
| <p>121. At every Annual General Meeting 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 Managing Director, Deputy Managing Director and the Nominee Directors, referred to in Article 109-A shall not be subject to retirement under this Article and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire at an Annual General Meeting.</p>  | <p>Retirement and rotation of Directors.</p>                            |
| <p>122. Subject to Section 284 (5) of the Act the Directors to retire by rotation under Article 121 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.</p>   | <p>Ascertainment of Directors retiring by rotation.</p>                 |
| <p>123. A retiring Director shall be eligible for re-election.</p>   | <p>Eligibility for re-election.</p>                                     |
| <p>124. Subject to Section 258 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.</p>  | <p>Company to appoint successors.</p>                                   |
| <p>125. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p style="padding-left: 40px;">(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-</p> <p style="padding-left: 40px;">(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;</p> <p style="padding-left: 40px;">(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;</p> <p style="padding-left: 40px;">(iii) he is not qualified or is disqualified for appointment;</p> <p style="padding-left: 40px;">(iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or</p> | <p>Provisions in default of appointment.</p>                            |



- (v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.

Company may increase or reduce the number of Directors.

126. Subject to Section 259 of the Act the Company in General Meeting may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors within the limits fixed by these Articles and the Company may, subject to the provisions of Section 284 of the Act, remove any Director before the expiration of his period of office and appoint another qualified person in his stead. 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.

Notice of candidature for office of Director except in certain cases.

127. (1) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him has not less than 14 days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director of the intention of such Member to propose him as a candidate for that office, as the case may be, along with a deposit of Rs. 500/- which shall be refunded to such person or as the case may be, to such Member, if the person succeeds in getting elected as a Director.
- (2) 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 257 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, his consent in writing to act as a Director, if appointed.
- (3) 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 262 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.

Register of Directors, etc, and notification of change to Registrar.

128. (a) The Company shall keep at the Office a Register containing the particulars of its Directors, Managing Director, Deputy Managing Director and Manager, if any, and Secretary and shall otherwise comply with the provisions of Section 303 of the Act.

Register of shares or debentures held by Directors.

- (b) The Company shall in respect of each of its Directors also keep at the Office a register as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said section in all respects.

129. (a) Every Director (including a person deemed to be a Director by virtue of the Explanation to Section 303 (1) of the Act), Managing Director, Deputy 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 303 (1) of the Act.
- (b) Every Director and every person deemed to be a Director of the Company by virtue of Section 307 (10) 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.
- Disclosure by Director of appointment to any other body corporate.

### **MANAGING DIRECTOR - DEPUTY MANAGING DIRECTOR**

130. Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time any one of its number as the Managing Director and other one of its number as Deputy Managing Director of the Company, for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and, subject to the provisions of Article 131, the Board may by resolution vest in such Managing Director and Deputy Managing Director such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions, as it may determine. The remuneration of the Managing Director and the Deputy Managing Director may be by way of monthly payment, participation in profits, or by either or both of these modes or any other mode not expressly prohibited by the Act.
- Board may appoint Managing Director or Deputy Managing Director.
131. The Managing Director or the Deputy Managing Director shall not exercise the powers to :-
- Restrictions on management.
- (a) make calls on shareholders in respect of money unpaid on their shares in the Company, and,
- (b) issue debentures,
- and, except to the extent mentioned in a resolution passed pursuant to Section 292 of the Act, the Managing Director or the Deputy Managing Director shall also not exercise the powers to
- (c) borrow moneys,
- (d) invest the funds of the Company, and
- (e) make loans.
132. The Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing, Deputy Managing or wholetime Director who-
- Certain persons not to be appointed Managing Directors.

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
- (b) suspends, or has at any time suspended with his creditors, or makes, or has at any time made, a composition with them; or
- (c) is, or has at any time been, convicted by a Court of an offence involving moral turpitude.

Special position of Managing Director and Deputy Managing Director.

133. The Managing Director or the Deputy Managing Director shall not while he continues to hold that office be subject to retirement by rotation in accordance with Article 122, but he shall be subject to the same provisions as to resignation and removal as the other Directors and if he ceases to hold the office of Director he shall ipso facto and immediately cease to be the Managing Director or the Deputy Managing Director as the case may be.

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

Meeting of Directors.

134. The Directors may meet together as a Board for the despatch of business from time to time as provided in Section 285 of the Act. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Notice of meetings.

135. Save with the consent in writing of all the Directors not less than fifteen days' notice in writing shall be given of every meeting of the Board. Such notice shall be given to every Director for the time being in India, and, at his usual address in India, to every other Director. Notice of the date of such meeting shall also be given by cable to every Director not for the time being in India. No meeting of the Directors 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 unless the Directors present at the meeting unanimously agree to discuss or transact such business.

Quorum.

136. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two shall be the quorum during such time.

Adjournment of meeting for want of quorum.

137. If a meeting of the Board could not be held for want of a quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

When meeting to be convened.

138. Subject to the provisions of Article 135 a Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Board.

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| 139. The Directors may from time to time elect from among their number a Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.   | Chairman.   |
| 140. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall not have a second or casting vote.   | Questions at Board meetings how decided.                                |
| 141. 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 these Articles are for the time being vested in or exercisable by the Board generally.   | Powers of Board meetings.   |
| 142. Subject to the restrictions contained in Section 292 of the Act the Board may delegate any of its powers to Committees of the Board consisting of such Member or Members of its body as it thinks fit, 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 purposes; but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board. | Board may appoint Committees.   |
| 143. 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 Board, including the voting rights of the Chairman and the keeping of minutes thereof, so far as the same are applicable there to and are not superseded by any regulations made by the Board under the last preceding Article.   | Meeting of Committee, how to be governed.                               |
| 144. 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, at their respective addresses provided for such purpose and has been approved by a majority of such of the Directors or Members of the Committee as are entitled to vote on the resolution.  | Resolution by circular.   |
| 145. 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 Directors 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   | Acts of Board or Committees valid notwithstanding informal appointment. |

been terminated. Provided that nothing in this Articles shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of Proceedings of meetings of the Board.

146. (a) The Company shall cause minutes of all proceedings of every meeting of the Board to be kept in accordance with Section 193 of the Act.

(b) Any such minutes shall be evidence of the proceedings recorded therein.

General power of Company vested the Board.

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

Power to create reserve and other funds.

148. Before recommending any dividend, the Board may from time to time 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 purpose as the Board may, in its absolute discretion, think conducive to the interest of the Company and, subject to Section 292 of the Act, may from time to time 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 it may think fit, and from time to time may deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefits of the Company, in such manner and for such purposes as the Board in its absolute discretion, thinks conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which it expends 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 may 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 its discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper not exceeding nine percent per annum.

149. (a) The Board may from time to time appoint any Manager or other officer or person in the employment of the Company or any of its subsidiary or associated companies to be a "Special Director" of the Company. Any person so appointed shall describe himself as a Special Director coupled with such other description, if any, as may be determined by the Board, but such person shall not be a Director for any of the purpose of the Act or these Articles, nor shall he have any of the powers of, or be subject to any of the duties of, a Director; subject as aforesaid, the Board may authorise a Special Director to exercise such powers and perform such duties as the Board may from time to time at its absolute discretion think fit.
- (b) The appointment of a person to be a Special Director shall not (save as otherwise agreed between him and the Company) affect the terms and conditions of his employment with his employers, whether as regards duties remuneration, pension, or otherwise, and his office as a Special Director shall be vacated in the event of his ceasing to be in the employment of the Company or any of its subsidiary or associated companies in some capacity other than that of a Special Director, or in the event of his being removed from office by a resolution of the Board.
- (c) The appointment, removal and remuneration of the Special Director shall be determined by the Board, with full powers to make such arrangements as the Board may think fit; and the Board shall have the right to enter into any contract on behalf of the Company or transact any business of any description without the knowledge and/or approval of the Special Directors, excepting that no act shall be done that would impose any personal liability on any or all of the Special Directors except with his or their knowledge and consent.
- (d) Special Directors shall not have any right of access to the books of the Company, except with the sanction of the Board. Special Directors shall not be entitled to receive notice of or attend Board meetings except when expressly invited so to do in pursuance of a resolution of the Board.
- Special Directors.

## **MANAGEMENT**

150. The Company shall not appoint or employ at the same time more than one of the categories of managerial personnel named in Section 197A of the Act.
- Prohibition of simultaneous appointment of different categories of managerial personnel.



## **THE SECRETARY**

Secretary.

151. The Board may, from time to time appoint, and at its discretion, remove, any individual as a Secretary to perform any functions which by the Act are to be performed by the Secretary and any other ministerial or administrative duties which may from time to time be assigned to the Secretary. The Board may also at any time appoint some person (other than the Secretary) to keep the registers required to be kept by the Company.

## **THE SEAL**

The Seal, its custody and use.

152. (a) The Board shall provide a Common Seal for the purpose 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 in accordance with Section 50 of the Act for use in any territory, district or place outside India.

Deeds how executed.

153. Every deed or other instrument to which the Seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and some other person appointed by the Board for the purpose.

## **DIVIDENDS**

Division of profits.

154. The profits of the Company, subject to any special right 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 on the shares held by them respectively.

The Company in General Meeting may declare a dividend.

155. The Company in General Meeting may declare dividends 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 a smaller dividend.

Dividends only to be paid out of profits.

156. 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 Section 205 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 dividend for any Financial Year provide for such depreciation out of the profits of that 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 205 (2) of the Act or against both.

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| 157. The Board may from time to time, pay to the Members such interim dividend as in their judgement the position of the Company justifies.  | Interim dividend.  |
| 158. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest confer a right to participate in profits.  | Capital paid-up in advance at interest not to earn dividend.   |
| 159. The Company shall pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.   | Dividends in proportion to amount paid up.   |
| 160. The Board may retain the dividends payable upon shares in respect of which any person is, under Article 60, entitled to become a Member or which any person under that Article is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.  | Retention of dividends until completion of transfer under Article 60.  |
| 161. Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such share.  | Dividend etc., to joint-holders.   |
| 162. 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. | No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom. |
| 163. A Transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. Provided that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall not withstanding anything contained in any other provisions of the Act,                                  | Transfer of shares must be registered.   |
| (a) transfer the dividend in relation to such shares to the Special Account referred to in Section 205 A of the Act unless the Company is authorised by the registered holders of such shares in writing to pay such dividend to the transferees specified in such instrument of transfer, and   |  |

- (b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) of sub-section (1) of Section 81 and any issue of fully paid up bonus shares in pursuance of sub-section (3) of Section 205 of the Act.

Dividends remitted.	how	164. Unless otherwise directed any dividend may be paid by cheque or warrant or by a payslip 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 of Members in respect of the joint holding. 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 payslip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.
Unclaimed dividend.		165. No unclaimed or unpaid dividend shall be forfeited. Unclaimed or unpaid dividend shall be dealt with in accordance with the applicable provisions of the Act.
No interest on dividends.	on	166. No unpaid dividend shall bear interest as against the Company.
Dividend and call together.	call	167. Any General Meeting declaring a dividend may on the recommendation of the Board 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 Members, be set off against the calls.
Capitalisation.		168. (a) The Company in General Meeting may, upon the recommendation of the Board, resolve that any moneys, investments or other assets forming part of the 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 (or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account), be capitalised and distributed amongst such of the share holders 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 shareholders 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 on 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 Share Premium Account and a Capital Redemption Reserve Account may, for the purpose of this

Article, only be applied in the paying up of unissued shares to be issued to Members as fully paid bonus shares.

- (b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, be distributed 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 fractions 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 persons 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 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividends or capitalised fund, and such appointment shall be effective.
- (d) Any General Meeting may resolve that any monies, investments or other assets forming part of the undivided profits (including profits or surplus monies arising from the realization and where permitted by law, from the appreciation in value of any capital asset of the company) or any amount standing to the credit of the General Reserve or any other reserve or fund of the company or in the hands of the company and available for dividend may be used for issue and distribution as fully paid up debentures, debenture stock or other securities or obligations of the Company.

## **ACCOUNTS**

169. (a) The Board shall cause to be kept in accordance with Section 209 of the Act proper books of account with respect to :-
- (i) all sums of money received and expended by the Company and matters in respect of which the receipt and expenditure take place;
  - (ii) all sales and purchases of goods by the Company;
  - (iii) the assets and liabilities of the Company.
- (b) The books of account shall be kept at such place or places as the Board may determine in accordance with the provisions of Section 209 of the Act and shall be open to inspection by any Director during business hours.

Directors to keep true accounts.

- (c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year, together with the vouchers relevant to any entry in such books of accounts.

As to inspection of accounts or books by Members.

170. 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 book or document of the Company except as conferred by law or authorised by the Board.

Statement of account to be furnished to General Meeting.

171. The Board shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 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.

Copies shall be sent to each Member.

172. Subject to the provisions of Section 219 of the Act, a copy of every such Profit and Loss Account and Balance Sheet (including the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet) which are to be laid before the Company in general meeting shall, not less than twenty-one days before the date of the meeting, be sent to every member of the Company, to every trustee for the holders of any debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such members or trustees being persons so entitled. Provided that the Company may, instead of sending copies of the documents as aforesaid, keep copies of such documents for inspection at its Registered Office during working hours for a period of twenty-one days before the date of the meeting and send a statement containing the salient features of such documents in the form prescribed by the Central Government to every Member and to every Trustee for the holders of debentures issued by the Company not less than twenty-one days before the date of the meeting.

## **AUDIT**

Auditors to be appointed.

173. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act.

Accounts when audited and approved to be conclusive except as to errors discovered within three months.

174. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and thenceforth shall be conclusive.

## **DOCUMENTS AND NOTICES**

Service of documents or notices on Members by Company.

175. (a) 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.

- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a 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 where a document or notice is sent by post such service shall be deemed to be effected in the case of a notice of meeting, at the expiration of forty-eight hours after the letter containing the notice is posted, and, in any other case, at the time at which the letter would be delivered in the ordinary course of post.

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| 176. 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.  | By advertisement.   |
| 177. A document of 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.  | On joint-holders.   |
| 178. 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 a prepaid letter addressed to them by name or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so 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. | On personal representatives, etc.   |
| 179. Documents or notices of every General Meeting shall be served or given in some manner hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a Member and (c) the auditor or auditors for the time being of the Company.  | To whom documents or notices must be served or given.                         |
| 180. 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   | Members bound by documents or notices served on or given to previous holders. |

have been duly served on or given to the person from whom he derives his title to such share.

Document or notice by Company and signature thereto.

181. 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 for such purpose, and the signature thereto may be written, printed or lithographed.

Service of document or notice by Member.

182. All documents or notices to be served or given by Members on or to the Company or any officer thereof shall be served or given by sending it to the Company or officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the Office.

Copies of documents and Notices to Members whose address is situated outside India.

183. Notwithstanding and in addition to the provisions of Articles 175 to 182 (both inclusive) the Company shall, at the written request of any Member whose registered address is situated out side India, send a copy of each such document or notice to such Member at such registered address by prepaid air mail at the same time as documents or notices are sent or given as herein before provided and, at the like request of such Members at the same time a cable shall be sent to such Member at such registered address informing him that such document or notice has been so despatched. The cost of sending such documents or notices by prepaid air mail and of sending such cables shall be for the account of the Members concerned who shall from time to time as may be necessary deposit with the Company a sum sufficient to meet the cost involved.

## **WINDING-UP**

Liquidator may divide assets in specie.

184. (a) If the Company shall be wound up and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the time of the winding-up, the excess shall be distributed amongst the Members in proportion to the capital paid up at the commencement of the winding-up or which ought to have been paid up on the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

(b) 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 such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit.



## **INDEMNITY AND RESPONSIBILITY**

185. Subject to Section 201 of the Act every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

Directors' and others' right to indemnity.

## **SECRECY CLAUSE**

186. (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 by the Directors, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company, including (without limitation) those with the customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the 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 of the Act or these Articles.
- (b) No Member shall be entitled to visit or inspect any works of the Company without the permission of a Director 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 or 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.

Secrecy Clause.