



(Draft)

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

**OF  
McLEOD RUSSEL INDIA LIMITED**

1. The following words shall have the following meanings unless repugnant to the subject or context:

**“Act”** means the Companies Act, 2013, including the rules, regulations, circulars, notifications and orders made thereunder including any statutory modification and re-enactment thereof from time to time and to the extent applicable, Companies Act, 1956 of India including any statutory modification and re-enactment thereof from time to time.

**“Articles”** means these articles of association and any modifications and/ or amendments hereto.

**“Board”** means the board of Directors of the Company.

**“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 108 herein below.

**“Company”** means McLEOD RUSSEL INDIA LIMITED.

**“Company Secretary”** or **“Secretary”** means any person who is appointed by a company to perform functions of a company secretary under the Act.

**“Depository”** means a Company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration to act as a depository under Section 12(1A) of the Securities & Exchange Board of India Act, 1992 and ‘Securities’ means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulations) Act, 1956.

**“Director(s)”** means the Directors under the Act.

**“Dividend”** includes interim dividends paid by the Company.

**“General Meeting”** means the annual general meetings and the extraordinary general meetings (as applicable) of the Company.

**“Key Managerial Personnel”** means the personnel as specified vide Section 2(51) of the Act and rules related thereto.

**“Managing Director”** means the Managing Director(s) for the time being of the Company.

**“Manager”** shall have the meaning ascribed to it in the Act.

**“Members”** or **“registered Member”** means a person whose name has been entered in the Register or who is a beneficial owner of a share/s in dematerialised form.

**“Memorandum”** means the memorandum of association of the Company and any modifications and/ or amendments hereto.

**“Months”** means calendar month.

**“The Records”** means and includes the records maintained in the

forms of books or stored in a computer or in such other form as may be determined by Regulations.

**“The Registrar”** means the Registrar of Companies of the states in which the office is situated.

**“Office”** means the registered office for the time being of the Company.

**“Proxy”** includes an attorney appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or an attorney duly authorized by it.

**“Register”** means the register of Members to be kept pursuant to the Act and includes the Register of Beneficial Owner maintained by depository under Section 11 of the Depositories Act, 1996.

**“Registrar”** means the Registrar of Companies, West Bengal.

**“SEBI”** means the Securities Exchange Board of India.

**“Share”** means a share in the share capital of the Company and includes stocks whether in physical or dematerialised form.

**“Special Resolution”** has the meaning assigned thereto by the Act.

**“Tribunal”** means the National Company Law Tribunal.

**“Year”** means calendar year.

**“In Writing”** and **“Written”** include printing, lithography and other modes or representing or reproducing words in a visible form.

Words importing the singular number also include the plural number and vice versa.

Words importing the masculine gender also include the feminine gender.

Words importing "*persons*" include natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof.

The marginal notes, if any, are inserted for convenience and shall not affect the construction of these Articles.

All references to a legislation or law or to any provision thereof in these Articles shall include references to such legislation or law, as it may, from time to time, be amended supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made under such provision.

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or any SEBI rules/ regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

Table "F" not to apply	2.	Save as reproduced herein, the regulations contained in Table "F" (in the first schedule to the Act), shall not apply to the Company. The regulations for the management of the Company and for the observance of the
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Members thereof and their representatives and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, addition to, its regulations in the manner prescribed by the Act, shall be such as are contained in these Articles. Wherever in the said Act it has been provided that the Company shall have any right, privilege or authority or that the company could carry out any transaction only if the company is so authorized by its Articles, then and in that case this Article hereby authorizes and empowers the Company to have such right, privileges or authority and to carry out such transactions as have been permitted by the Act without there being any specific regulation in that behalf herein provided.

### SHARES

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|-----------------|----|---|
| Share capital   | 3. | The authorised share capital of the Company shall be as provided in Clause V of the Memorandum for the time being in force.   |
| Issue of shares | 4. | Subject to the provisions of the Act and all other applicable provisions of law, the Company may issue shares, either equity or any other kind with or without voting rights, and the resolution(s) authorizing such issues shall provide for the terms and |

conditions governing such issues.

Purchase of the  
Company's own shares

5. The Company shall have power, subject to and in accordance with all applicable provisions of the Act to purchase any of its own fully paid shares, subject to such limits, upon such terms and conditions and subject to such approvals, as may be required by the law, and may make payment out of capital in respect of such shares.

Shares at the disposal  
of the Directors

6. Subject to the provisions of Section 62 and other applicable provisions of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and may issue and allot shares in the capital of the Company for consideration other than cash including on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Further issues of shares

7. (a) Subject to Section 62 and all other applicable provisions of the Act, where at the time the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered:

i. to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:

(A) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

(B) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other

person; and the notice referred to above shall contain a statement of this right;

(C) 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 which is not disadvantageous to the Members and the Company.

ii. to employees under a scheme of employees' stock option, subject to a Special Resolution passed by the Company and subject to the applicable provisions of the Act; or

iii. to any persons, if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in sub-articles (i) or (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the applicable provisions of the Act.



- (b) The notice referred to above shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue.
  
- (c) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company, provided however, that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.
  
- (d) The Company may, subject to Section 42 and all other applicable provisions of the Act and these Articles, make private placement through issue of a private placement offer letter, provided however that the offer of securities through private placement, shall not

be made to such number of persons exceeding the limit prescribed under the Act.

Commissions for placing shares

8. Subject to the provisions of Section 40 of the Act, the Company may at any time pay a commission to any person in connection with subscription of or procurement of subscription to any securities of the Company in accordance with the conditions set out in the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable provisions of the Act.

Brokerage

9. The Company may also, on any issue of shares or debentures, pay such reasonable brokerage as may be allowed under applicable laws.

Redeemable preference shares

10. Subject to the applicable provisions of the Act, the Company shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit. The Company, subject to the applicable

provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares on such terms as they may deem fit.

Shares may be issued subject to different conditions as to calls, etc.

11. The Company may make arrangements on the issue of shares in such a manner to provide for difference in the amount of calls to be paid and the time of payment of calls for holders of such shares.

Instalments on shares to be duly paid

12. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being shall be registered holder of the share.

Liability of joint-holders of shares

13. 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.

Registered holder to be  
the absolute owner

14. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by statute required, be bound to recognize any, equitable or other claim to or interest in such share on the part of any other person.

#### CERTIFICATES

Certificates

15. (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (b) If any certificate be worn out, defaced, destroyed or lost or if there be no further space on the back thereof for endorsement of transfer, then upon production thereof to the Board, they, may order the same to be cancelled, and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on

such indemnity as the Board deem adequate being given, a duplicate certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. The Company may charge a sum not exceeding Rs. 50 (Rupees Fifty) to be paid to the Company for every duplicate certificate issued under this Article, as the Board may fix from time to time, provided that no fee shall be charged for issue of new certificate in replacement of those which are old, worn, decrepit out or where the pages on the reverse for recording transfers have been fully utilized.

(c) The provisions of this Article shall *mutatis mutandis* apply to debentures and other securities of the Company.

Limitation of time for  
issue of certificates

16. Every Member or allottee of shares shall be entitled without payment, to receive one or more certificates 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 certificates 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 coupon of requisite value, save in

cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under the Act. Particulars of every share certificate issued shall be entered in the Register against the name of the person, to whom it has been issued, indicating the date of issue. A certificate issued under the seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the shares held by any person shall be prima facie evidence of the title of the person to such shares. Where the shares are held in dematerialised form, the record of depository shall be the prima facie evidence of the interest of the beneficial owner.

Sub-division of  
certificates minimum  
denomination

17. The Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Member or to convert holding of odd lot

into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge.

To which of joint holders' certificate to be issued

18. The certificates of shares registered in the names of two or more persons shall be delivered to the person first named on the Register.

The Depositories Act and depository

19. For the purpose of Articles 20A and 20B appearing hereunder (a) "The Depositories Act" shall mean Depositories Act, 1996; and includes any statutory modification or re-enactment thereof for the time being in force, and (b) 'Depositor' shall have the meaning assigned thereto by the Depositories Act.

Dematerialization and rematerialisation of securities

19A Notwithstanding anything contained in these Articles, the Company shall dematerialize its shares, debentures and other securities, rematerialize the same and allot new shares, debentures or other securities in a dematerialized form in accordance with and/or conforming to the provisions of the Depositories Act. The rights and obligations of the concerned parties in respect of the shares, debentures and other securities in the dematerialized

form, and all matters connected therewith and/or incidental thereto shall be governed by the provisions of the Depositories Act and the relevant provisions of the Act.

Option for investors            19B        Every person subscribing to or holding shares, debentures and other securities of the Company shall have the option to receive certificates therefor or to hold the same with a Depository in dematerialized form. A beneficial owner, i.e. a person whose name is recorded as such in a Depository in respect of the securities, can at any time opt out of the Depository, if permitted by law, and in such a case the Company shall, in the manner and within the time as prescribed, issue the required certificates in respect of the subject securities to the beneficial owner.

#### CALLS

Calls                                    20.        The Directors may from time to time, subject to the terms on which any shares may have been issued and to the provisions of Section 49 and other applicable provisions of the Act and of these Articles, make such calls as they think fit upon the Members in respect of all monies unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times and each



Member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors, provided, however, that calls on shares of the same class issued on the same terms and conditions shall be on a uniform basis. A call may be made payable by instalments. A call may be revoked or postponed at the discretion of the Directors.

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| When call deemed to have been made          | 21. | A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.   |
| Notice of call                              | 22. | Not less than 14 (fourteen) days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.   |
| When interest on call or instalment payable | 23. | If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall be due shall pay interest for the same at the rate of 10 percent per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Director may determine. |

Amount payable at fixed times or by instalments payable as calls

24. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.

Evidence in actions by Company against Members

25. On the trial or hearing of any action or suit brought by the Company against any Member or his representatives to recover any debit or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was when the claim arose on the Register of the Company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter

whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in anticipation  
of call may carry  
interest

26. The Directors may, if they think fit, subject to the provisions of the Act, agree to and receive from any Member willing to advance the same whole or any part of the monies due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding 12% (twelve percent) per annum, as the Member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced.

The Member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of

the Company.

#### FORFEITURE AND LIEN

If call or instalment not paid notice may be given

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

Form of Notice

28. 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 and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment in payable will be liable to be forfeited.

If notice not complied with shares may be forfeited

29. If the requirements of any such notice as aforesaid be not complied with, any share in respect of which such notice has been given

may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

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| Notice for forfeiture                             | 30. | When any share shall have been so forfeited, notice of the resolution shall be given to the Members in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to make such notice or to make such entry as aforesaid. |
| Forfeited share to become property of the Company | 31. | Any share so forfeited shall be deemed to be the property of the Company, and the Directors may dispose of the same in such manner as they think fit.  |
| Power to annual forfeiture                        | 32. | The Directors may, at any time before any share so forfeited shall have been disposed of annul the forfeiture thereof upon such conditions as they think fit.  |
| Arrears to be paid                                | 33. | Any Member whose shares have been  |

notwithstanding  
forfeiture

forfeited shall notwithstanding be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the shares are forfeited, together with interest thereon from the time of forfeiture until payment at 12% (twelve percent) per annum, and the Directors may enforce the payment thereof without any deduction nor allowance for the value of the shares at the time of forfeiture, if they think fit.

Effect of forfeiture

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

Evidence of forfeiture

35. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the company for the consideration, if any, given for the shares on the sale or disposition

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

Company's lien on 36.  
shares/ debentures

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and on equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures, unless otherwise agreed the registration of transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Directors may at any time declare any shares/debentures

wholly or in part to be exempt from the provisions of this Article.

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| As to enforcing lien by sale               | 37. | For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit but 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, his executors or administrators, or his committee, curator bonis or other legal curator, and default shall have been made by him or them in the payment of monies called or payable at a fixed time in respect of such shares for seven days after such notice. |
| Application of proceeds of sale            | 38. | The net proceeds of any such sale shall be applied in or towards satisfaction of the monies called or payable at a fixed time in respect of such shares of such Member, and the residue (if any) may be retained with the Company.   |
| Validity of sales under Articles 33 and 39 | 39. | Upon any forfeiture or for enforcing a lien in purported exercise of the power hereinbefore given, the Directors 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 as holder of the shares sold in substitution for the   |



name of the holder whose shares have been sold and the purchaser shall not be bound to see to the regularity of the proceeding nor to the application of the purchase money, and after his name has been entered in the Register as holder 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.

Directors may issue  
new certificates 40.

Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

#### TRANSFER AND TRANSMISSION

Execution of transfer  
etc. 41.

In accordance with Section 56 and other applicable provisions of the Act, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the shares are held in dematerialized form, along with the applicable provisions of the Act, the provisions of the Depositories Act shall

apply. Subject to the provisions of the Act, no transfer of shares held in physical form shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company together with the certificate or certificate of the shares. The instrument of transfer of any share shall be signed both by the transferor and transferee, and shall contain the name and address and other particulars as required in the transfer form prescribed under the Act, and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Signature of transferor to such transfer shall be duly attested by the signature of one credible witness who shall add his address, occupation and father's/husband's name.

Applications  
transferor

by 42.

Application for the registration of the transfer of a share held in physical form may be made either by the transferor or the transferee, provided that where such application is made by the transferor no registration shall in the case of partly paid share be effected unless the Directors give notice of the application to the transferee in the manner prescribed by the Act, and

subject to the provisions of these Articles the Directors shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

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| Instrument of transfer                    | 43. | The instrument of transfer shall be in writing and all provisions of the Act shall be duly complied with in respect of all transfer of shares and registration thereof.  |
| Directors may refuse to register transfer | 44. | Subject to the provisions of Section 58 and all other applicable provisions of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares held in physical form whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a Member of the Company but in such cases, the Directors shall within 30 days or such number of days as per the applicable SEBI Regulation, whichever is earlier from the date on which the instrument of transfer was lodged with the Company, send to the |

transferee and transferor notice of the refusal to register such transfer provided that registration of 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 or any account whatsoever except when the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

No transfer to infant,  
etc.

45. No transfer shall be registered in favour of a person known to be an infant or person of unsound mind or any other person otherwise disqualified in law to hold shares.

Transfer to be left at  
office and evidence of  
title given

46. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the shares to be transferred, and such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the shares, and upon payment of the proper fee the transferee shall (subject to the Directors' right to decline to register hereinbefore mentioned) be registered as a Member in respect of such shares. The Directors may waive the production of any certificate upon evidence satisfactory to them of its loss or destruction.

- When transfers to be retained 47. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which, the Directors may decline to register shall be returned to the person depositing the same.
- No fee on transfer or transmission 48. No fee shall be charged for registration of transfer, transmission probate succession certificate and letters of administration, certificate of death or marriage, power of attorney or other similar document.
- When transfer books and Register may be closed 49. The Board shall have power on giving not less than 7 (seven) days previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register and/or register of debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year.
- Transmission of registered shares as to 50. In case of death of the sole Member of any registered share, the nominee or nominees

survivorship

concerned and in the absence thereof, the executors or administrators of a deceased Member (not being one of several joint-holders) shall be the persons recognised by the Company as having any title to the shares registered in the name of such Member. In case of the death of any one or more of the joint-holders of any registered share, the survivors shall be the only persons, having the first right in respect thereof, to be recognised by the Company as having any title to or interest in such shares, 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. Subject to the above, before recognising any executor or administrator the Directors may require him to obtain a grant of probate or letters of administration or other legal representation as the case may-be, from some competent court in India, provided nevertheless that in any case where the Directors in their absolute discretion think fit, it shall be lawful for the Directors to dispense with' the production of probate or letters of administration or such other legal representation upon such terms as to indemnity or otherwise as the Directors in their absolute discretion may consider necessary.

As to transfer of shares of insane, infant, deceased or insolvent Members'

51. Any committee or guardian of a lunatic or infant or any person becoming entitled to or to transfer shares in consequence of the death or bankruptcy or insolvency of any Member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors think sufficient, may, with the consent of the Directors (which they shall not be under any obligation to give), be registered as a Member in respect of such share, or may subject to the regulation as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as the Transmission Article.

Nomination facilities

52. Notwithstanding anything contained in these Articles, every holder of shares in or debentures of the Company may, at any time, nominate, in the prescribed manner under the applicable provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, a person to whom his shares or debentures shall vest in the event of his death.

#### INCREASE AND REDUCTION OF CAPITAL

Power to increase, sub-

53. Subject to the provisions of Section 61 and

divide, consolidate,  
cancel capital

all other applicable provisions of the Act, the Company may, by special resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows:

- (a) increase its share capital by such amount as it thinks expedient;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of Members shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
- (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
- (d) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from



which the reduced share is derived;  
and

- (e) cancel its shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of share capital within the meaning of the Act.

Application to  
transfer of debentures

- 54. The provisions in relation to the transfer of shares contained in these Articles shall apply *mutatis mutandis* to the debentures of the Company.

#### BORROWING POWERS

Power to borrow

- 55. The Directors may from time to time at their discretion raise or borrow, subject to the provisions of the Act, and secure the payment of any sum or sums of money for the purposes of the company, and may themselves lend to the Company on security or otherwise provided that unless the Company in General Meeting otherwise approves by way of passing a Special Resolution the power to borrow hereby

conferred shall be limited to a sum not exceeding the aggregate of the paid-up capital of the Company and its free reserves for the time being provided further that the limitation shall not apply to temporary loans obtained from the Company's bankers in the ordinary course of business.

Conditions on which  
money may be  
borrowed

56. The Directors may raise or secure the repayment or payment of any sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the creation of any mortgage or charge on the undertaking or the whole or any, part of the property including current assets, present or future, or uncalled capital of the Company or by the issue of redeemable bonds, debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future, including its uncalled capital for the time being.

Securities may be  
assignable free from  
equities

57. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Reduction of  
Capital , etc.

58. The Company may (subject to the provisions of Section 66 of the Act) from time to time by Special Resolution reduce its capital, any capital redemption reserve account and the securities premium account in any manner for the time being by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or extinguishing or reducing the liability on the shares not paid-up or otherwise as may seem expedient, and capital may be paid off upon the footing that it may be called up again, or otherwise as may seem expedient.

MODIFICATION OF RIGHTS

Power to Modify Rights

59. (a) Where, the capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the

Act and applicable laws, and whether or not the Company is being wound up, provided the same is effected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Provided further that if variation by one class of shareholders affects the rights of any other class, the consent of the three fourths of such other class shall also be obtained.

- (b) To every such separate meeting, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- (c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Term of issue of  
debenture

60. Any debentures, debenture-stock or other securities 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, attending (but not voting) at the General Meeting or otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Register of charge to be  
kept

61. The Directors shall cause proper registers to be kept in accordance with the Act, of holders of debentures of the Company and also of all mortgages and charges specially affecting the property of the Company and shall duly comply with the requirements of the Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the Act, as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office and the requirements of the Act as to giving intimation of the payment or satisfaction of any charge or mortgage created by the Company.

Inspection of copies

62. The Company shall comply with the

mortgages

provisions of the Act as to allowing inspection of copies of the instruments creating charges and of the register of charges.

Right of holders of debentures to balance sheets

63. Holders of debentures and their trustees shall have the right to inspect the returns and registers of the Company and get copies thereof as the holders of shares in the Company do have.

Mortgage of uncalled capital

64. If any uncalled capital of the Company be included in or charged by any mortgage or other security, the Directors may, by instrument under the Company's Seal, authorise the person in whose favour such mortgage or security executed or any other person in trust for him, to make calls on the Members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to calls shall, *mutatis mutandis*, apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors power or otherwise and shall be assignable if expressed so to be.

RESERVE AND DEPRECIATION FUNDS

Reserve fund

65. The Directors may from time to time before recommending any dividend, set apart any and such portion of the profits of the Company as they think fit as a reserve fund to meet contingencies or for the liquidation of any redeemable preference shares or debentures, debts, or other liabilities of the Company for equalisation of dividends for repairing, improving, or maintaining any of the property of the Company, and for such other purposes of the Company as the Directors in their absolute discretion think conducive to the interests of the Company and may invest subject to the provisions of the Act the several sums so set aside upon such investments (other than shares of the Company) as they may think fit, and from time to time deal with and vary such investments, and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve fund into such special funds as they think fit with full power to employ the reserve fund or any parts thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.

Depreciation fund

66. The Directors may from time to time before recommending any dividend, set apart any and such portion of the profits of the

Company as they think fit, as a depreciation fund applicable at the discretion of the Directors, for providing against any depreciation in the investments of the Company or for rebuilding, restoring, replacing or for altering any part of the buildings, work, plant, machinery, or other, property of the Company destroyed or damaged by fire, flood, storm, tempest, earthquake, accident, riot, wear and tear, or any other means whatever or for repairing, altering or keeping in good condition the property of the Company, offer extending or enlarging, the buildings, machinery and property, of the Company with full power to employ the assets constituting such depreciation fund in the business of the Company, and that without being bound to keep the same separate from the other assets.

Investment of money

67. All monies carried to the reserve fund and depreciation fund respectively shall subject to the provisions of the Act nevertheless remain and be profits of the Company applicable, subject to due provision being made for actual loss or depreciation, for the payment of dividends and such monies and all the other monies of the Company not immediately required for the purposes of the Company may subject to the provisions of



the Act be invested by the Directors in or upon such investments or securities as they may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Directors may from time to time think proper.

#### GENERAL MEETING

When General Meetings  
to be held

68. In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its annual general meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) Months' gap shall elapse between the date of two consecutive annual general meetings. Every such General Meeting shall be called for a time during business hours in terms of Section 96 of the Act, on a day that is not a holiday and shall be held either at the Office or at some other place in Kolkata as the Directors may determine and the notices calling the meeting shall specify it as the annual general meeting.

Distinction between  
annual and  
extraordinary general  
meetings

69. The General Meetings referred to in the last preceding Article shall be called annual general meetings and all other meetings of the Company shall be called extraordinary

general meetings.

When extraordinary  
general meetings to be  
called on requisition

70. The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists, as provided by Section 100 of the Act.

71. (a) Not less than twenty-one days' notice to the Members specifying the place, day and hour of meeting, with a statement of the business to be transacted at the meeting, shall be given by registered post or speed post or courier service (which provides the proof of delivery) or through electronic means of communication to the registered e-mail IDs of the recipients Subject to the provisions of the Act, in the case of an annual general meeting, with the consent of all the Members entitled to vote thereat, and, in the case of any other meeting, with the consent of Members holding not less than 95% 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 called giving less than twenty-one days' notice.

(b) In every such notice, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that Proxy need not be a Member.

As to omission to give notice

72. The accidental omission to give only such notice to or the non-receipt of notice by any of the Members shall not invalidate the proceedings at any such meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

Business of annual general meetings

73. (a) The ordinary business of an annual general meeting shall be to receive and consider the financial statement and the reports of the Directors and of the auditors, to declare dividends to appoint Directors in place of those retiring by rotation and to appoint and fix remuneration of the auditors. . All other business transacted at an annual general meeting and all business transacted at an extraordinary general meeting shall be deemed special.

(b) Where any item of business to be transacted at a meeting is deemed; to

be special as aforesaid, 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 and extent of the interest if any, therein, of every Director as given in Section 102 of the Act.

- (c) 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.

Quorum

74. For all purposes the quorum for a General Meeting shall be thirty Members present in person.

Quorum to be present when business commenced

75. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business and throughout the meeting.

Chairman of General Meeting

76. The Chairman, or in his absence the vice-chairman, of the Board shall be entitled to take the chair at every General Meeting or if there be no such Chairman or vice-chairman or if at any meeting either of them

shall be present after fifteen minutes from the time appointed for holding such meeting, or is unwilling to act, the Members present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall choose one of their number being a Member entitled to vote, to be the Chairman.

When, if quorum not present, meeting to be dissolved and when to be adjourned

77. If within half an hour from the time appointed for the meeting a quorum be not present the meeting if convened upon such requisition as aforesaid shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week at the same time and place or subject to the compliance with Section 103 of the Act, to such other day and at such other time and place as the Board may determine and if at such adjourned meeting a quorum be not present the Members present shall be a quorum.

How questions to be decided at meetings

78. Every resolution to be considered at a general meeting shall be decided on the basis of the consolidated results of remote e-voting to be held before the meeting and voting by way of ballot/polling papers or using an electronic voting system to be held at the meeting according to Section 108 of

the Act read with the Rule thereunder. A Member may participate in the meeting even after exercising this right to vote through remote e-voting but shall not be allowed to vote again at the meeting. In this connection, the appointment of scrutinisers, submission of their report and disclosure thereof shall be governed by the said Rule and the SEBI Regulations as applicable.

Demands for poll for appointment of Chairman or adjournment of meeting.

79. (a) Poll demanded for adjournment of a Meeting or appointment of Chairman of the meeting shall be taken forthwith at the Meeting and in such a case the provisions of Section 109 of the Act read with the Rule thereunder shall apply.

Power to adjourn General Meeting

80. The Chairman of a General Meeting may with the consent of the meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

## VOTES OF MEMBERS

Votes of Members

81. Subject to any special conditions or restrictions as to voting upon which any shares may, for the time being, be held every Member entitled to vote who shall be present in person shall have one vote on a show of hands and one vote for every share held or represented by him in case of voting otherwise.

Procedure where a corporation is a Member of the Company

82. Any corporation which is a Member of the Company may by resolution of its board or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any, class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers (including the right to vote by Proxy or by postal ballot) on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company, and the production at the meeting of a copy of such resolution by the person so authorised (or his Proxy) duly signed by an officer of such corporation and certified by him as being a true copy of the resolution shall/ on production at the meeting, be accepted by the Company sufficient evidence of the validity of the appointment of the representative.

- Joint holders
83. In the case of joint holders of shares, the vote of the senior who tenders a vote whether in person or by Proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the Register or records with the Depository, as the case may be. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.
- Proxies permitted
84. Subject to the provisions of these Articles, votes may be given either personally or by Proxy or in the case of a corporation by a Proxy, representative, or Proxy's representative duly authorised as aforesaid at any General Meeting.
- Instrument appointing Proxy to be in writing
85. The instrument appointing a Proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if such appointer is a corporation, under its common seal, if any, or the hand of its authorised officer or attorney, duly authorised by it.
- Instrument appointing a Proxy to be deposited
86. The instrument appointing a Proxy and the power of attorney or other authority (if any)



at the Office

under which it is signed or a notarially certified copy of that power or authority, may be rejected if it has not been deposited at the Office of the Company at least forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote.

When vote by Proxy  
valid though authority  
revoked

87. A vote given in accordance with the terms of an instrument appointing a Proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the Office before the meeting; provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of Proxy and that the same has not been revoked.

Form of instrument  
appointing a Proxy

88. Every instrument appointing a Proxy shall, be in the Form No MGT - 11 as set out in Companies (Management and Administration) Rules 2014.

Restrictions on voting

89. No Member shall be entitled to be present or to vote on any question either personally or

by Proxy or as Proxy for another Member at any General Meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such Member.

Registered Member to be subject to same rights and liabilities as remainder of his class

90. Any Member whose name is entered in the Register of the Company shall enjoy the same rights and be subject to the same liabilities as all other Members of the same class.

#### DIRECTORS

Number of Directors

91. Until otherwise determined by the Company by Special Resolution in General Meeting, the maximum number of Directors shall be as prescribed under the Act.

Nominee of Directors

92. Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to Any public financial institution or a Bank (hereinafter referred to as 'The Institutions') the Institution shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole time or non-whole time (which Director or Directors is/ are hereinafter referred to as "Nominee Director/s) on the Board of the Company

and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Institution such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Institution 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 monies remain owing by the Company to the Institution or so long as the Institutions hold debentures in the Company as a result of direct subscription or private placement and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the monies owing by the Company to the Institutions is paid off.

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 any Committee of which the Nominee Director/s may be Member/s as also the minutes of such meetings. The Institution shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any such 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 Institution and the same shall accordingly be paid by the Company directly to the Institution. Any expenses that may be incurred by the Institutions or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Institution or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Institution the sitting fees in relation to such Nominee Director/s shall accrue to the Institution and the same shall accordingly be paid by the Company directly to the Institution.

Provided also that in the event of the Nominee Director/s being appointed as wholetime Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Institution and have such rights as are usually exercised or available to a wholetime Director, in that management of the affairs of the Company Such Nominee Director/ s shall be entitled to receive such remuneration fees, commission and monies as may be approved by the Institution.

No share Qualification  
required

93. Unless otherwise determined, by the Company in General Meeting a Director shall not be required to hold any shares of the Company in order to qualify himself to act as a Director of the Company.

Remuneration of  
Directors

94. (a) Unless otherwise determined by the Company in General Meeting and subject to the limit of such sum as may be prescribed under the Act, each Director shall be entitled to receive out of the funds of the Company such sum as may be determined by the Board of Directors from time to time for each Meeting of the Board or committee thereof attended by him. Independent Directors shall be entitled to such fee for

attending their Meeting as may be approved by the Board from time to time.

- (b) Subject to the provisions of the Act, the Directors of the Company, who are neither Managing Directors nor Directors in the whole-time employment of the Company may also be paid remuneration (exclusive of fees paid for attending meetings of the Board, Committee thereof or meetings of Independent Directors), a commission ( to be divisible amongst them in such manner as the Board may, determine ) not exceeding one per cent of the net profits of the Company, if there is a managing or whole-time director or manager; or three per cent, of the net profits in any other case, computed in the manner referred to in the Act; and
- (c) In addition to the remuneration payable to them in accordance with the provisions of the Act, the Directors may be paid all travelling, hotel and other expenses, properly incurred by them-
  - i. in attending and returning from any meeting aforesaid or General

Meetings of the Company; or

- ii. in connection with the business of the Company.

#### ROTATION OF DIRECTORS

Rotation and  
retirement of Directors

95. Subject to applicable provisions of the Act and notwithstanding anything contained in these Articles, at the annual general meeting of the Company to be held every year, one-third of the Directors for the time being liable to retire by rotation, or, if their number is not three or a multiple of three then, the number nearest to one-third, shall retire from office. Provided that the Managing Director and the Independent Directors shall not, while continuing to hold those offices, be subject to retirement by rotation under this Article and their number shall not be taken into account in determining the total number of Director of whom one third shall retire by rotation under this Article. Provided further that the Managing Director or Managers shall be subject to the same provisions as to resignation, disqualification and removals as the other Directors of the Company, and if the Managing Director shall cease to hold the office of Director for any cause he shall *ipso facto* immediately cease to be a Managing Director.

- Which Directors to retire
96. The Directors to retire in every year shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- Re-election
97. A retiring Director shall be eligible for re-appointment.
- Meeting to fill up vacancies
98. The Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by appointing the retiring director or electing some other person thereto.
- Directors may act notwithstanding vacancy
99. The continuing Directors may act notwithstanding any vacancy in their body; but so that if the number falls below the number above fixed the Directors shall not, except for the purpose of filling vacancies, act so long as the number is below that number.
- Appointment of additional directors and filing of certain casual vacancies among directors
100. (a) The Directors shall have power at any time and from time to time to appoint any person, other than a person who fails to get appointed as a director, to be an additional director to the Board, so



that the total number of Directors shall not exceed the maximum fixed by these Articles. Any Director so appointed shall hold office only upto the date of the next annual general meeting of the Company.

- (b) Any casual vacancy occurring among the Directors may be filled up by the Directors, but any person so appointed shall retain his offices so long only as the vacating Director would have retained the same if no vacancy had occurred.

Vacation of office by  
Directors

101. (a) The offices of a Director shall become vacant, if-

- i. he is found to be of unsound mind by a court of competent jurisdiction; or
- ii. he applies to be adjudicated an insolvent; or
- iii. he is adjudged an insolvent; or
- iv. he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for, not less than

six Months and a period of five years has not elapsed from the date of expiry of the sentence; or

- v. he being interested or connected in any contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company fails to disclose such interest as required by the Act; or
- vi. he vacates his office or is removed in accordance with the provisions of the Act; or
- vii. he becomes disqualified by an order of court passed pursuant to the Act, and the orders is in force; or
- viii. He has been convicted of an offense dealing with the related party transactions under Section 188 of the Act at any time during the last preceding five years;
- ix. he incurs any of the disqualifications specified in

Section 164 of the Act.

(b) Notwithstanding anything in paragraphs (iv), (viii) and (ix) of sub-Clause (a) the disqualification referred to in those paragraphs shall not take effect:-

- i. for thirty days from the date of the order of the adjudication or sentence;
- ii. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, till the expiry of seven days from the date on which such appeal or petition is disposed of; or
- iii. where within the seven days aforesaid any further appeal or petitions preferred in respect of the adjudication, sentence, or conviction until such further appeal or petition is disposed of.

Removal of Directors

102. Subject to and in accordance with the provisions of the Act the Company may by

ordinary Resolution and after giving him a reasonable opportunity of being heard, remove a director any time before the expiration of his period of office.

Directors may contract  
with Company

103. (a) Subject to the provisions of the Act, every Director shall disclose his concerns or interest, in any company or companies or bodies corporate firms, or other association of individuals which shall include shareholding as per the provisions of the Act, at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change in interest has occurred.
- (b) Subject to the provisions of the Act and of these Articles, the Directors shall not be disqualified from contracting with the Company either as purchaser or otherwise, nor shall any contract or arrangement entered into by or on behalf of the Company with any company or partnership firm of which the Director is a partner or an association of individuals of which he

is a Member. or in which any Director is a Member or otherwise interested be avoided, nor shall any Director so contracting or being such Member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established but the nature of their or his interest (required to be disclosed by Section 184 of the Act), must be disclosed by them or him at the first meeting of the Directors held after the acquisition of the interest. No Director shall participate in a meeting during the period when the discussion and decision takes place in respect of any contract or arrangement in which he is so interested as aforesaid. Subject to the provisions of the Act this proviso shall not apply to any contract by or on behalf of the Company to give to the Director or any of them any indemnity against any loss which they or any of them may suffer by reason of becoming or being sureties for the Company.

- (c) Except with the consent of the Board to be given in accordance with the

provisions of Section 188 of the Act, the Company shall not enter into a contract or arrangement with a related party with respect to any of the transactions mentioned in Section 188(1). Nothing contained hereinbefore shall effect transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length.

Register of contracts

104. A register shall be kept by the Company in which shall be entered particulars of all contracts or arrangements in which Directors are interested or to which Section 189 of the Act applies, and which shall be open to inspection by any Member of the Company at the office during business hours.

When candidate for office of Director must give notice

105. (a) No person not being a retiring Director, shall unless recommended by the Directors for election, be eligible for election to the office of Director at any General Meeting, unless he or some other Member intending to propose him has, not less than fourteen days before the meeting, left at the Office of the Company a notice in writing duly signed signifying his candidature for the office or the intention of such Member to

propose him as a candidate for that office along with such deposit as may be prescribed by the Act and the Company shall the comply with the provisions of Section 160 of the Act.

- (b) Any person who is a candidate for the office of Director shall comply with the provisions of Section 152 of the Act, as applicable.

Register of Directors and notification of changes to register

106. The Company shall keep at the Office a register of its Directors and Key Managerial Personnel containing the particulars required by the Act and Rules thereunder and the Company shall otherwise comply with the provisions of the Act as regards furnishing returns to the Registrar and giving inspection of the said register.

#### PROCEEDINGS OF DIRECTORS

Meetings of Directors and quorum

107. (a) Meetings of the Directors shall be held for the conducting of business from time to time in accordance with the provisions of Section 173 of the Act.
- (b) The quorum for a Directors' Meeting shall be computed to time in accordance with the provisions of Section 174 of the Act.

- Summoning meeting of Directors 108. Any Director of the Company or the Secretary may at any time convene a meeting of the Directors. Notice of every meeting of the Directors shall be given in writing to every Director at his address registered with the Company or by electronic means.
- How question to be decided 109. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.
- Chairman 110. The Directors may, from time to time, elect from among their number a Chairman of their meetings and also a Vice-Chairman to act in his place in his absence. If at any meeting, the Chairman is not present at the time appointed for holding the same, the Vice-Chairman shall preside at such meeting. If no such Chairman and Vice-Chairman are elected, or if at any meeting of the Board, neither of them be present, the Directors present may choose someone of their number to be the Chairman of such meeting.
- Powers of quorum 111. A meeting of the Directors for the time being at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or



under the Articles of the Company for the time being vested in or exercisable by the Directors generally.

Power to appoint committees and to delegate

112. The Directors may delegate their powers to borrow monies, invest the funds of the company and grant loans or give guarantee or provide security in respect of loans to the Managing Director or Manager (if any) or any other principal Officer or a Committee of Directors by way of passing a Resolution at their Meeting. Further subject to the provisions of Section 179 of the Act, the Directors may from time to time delegate any of their other powers to committees consisting of such Member or Members of their body as they think fit, and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the power so delegated, conform to any regulations that may from time to time be imposed upon it by the Directors.

Proceedings of committee meetings

113. The meetings and proceedings of any such committee consisting of two or more Members shall be governed by the provisions therein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors under the last preceding Article.

When acts of Directors or committee valid notwithstanding defective appointment etc.

114. All acts done by any meeting of the Directors or by a committee of Directors 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, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after the appointment of such Director has been shown to the Company to be invalid or to have terminated.

Resolution without board meeting valid

115. (a) A resolution in writing shall be as valid and effectual as if it had been passed at a meeting of the Directors or of a committee of the Directors duly called and constituted. Provided that the resolution shall have been first circulated in draft, together with the relevant papers, if any, to the Directors or to all the Members of the committee, at their address registered with the Company in India by hand delivery or post or courier or through electronic means and has been approved by majority of Directors or members who

are entitled to vote on the resolution. A statement in the minutes of the subsequent Meeting of the Directors that a resolution has been passed in accordance with this Article shall be prima facie evidence of the fact.

- (b) Where not less than one-third of the total number of Directors of the Company, for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at the meeting of the Board.

#### MINUTES

Minutes to be made

116. The Company Secretary of the Company and in his absence the Directors shall cause minutes to be duly entered in books provided for the purpose of proceedings of every General Meetings or of a Meeting of the Board or of every committee of the Board, in accordance with the provisions of Section 118 of the Act, and such minutes shall be evidence of the proceedings recorded therein.

#### POWERS OF DIRECTORS

General Powers of  
Directors

117. Subject to the provisions of the Act the Directors 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 Directors shall not exercise any power or do any act or thing which is directed or required by the Act or by the Memorandum or Articles of the Company 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 Directors shall be subject to the provisions contained in the Act, the Memorandum and Articles of the Company, and any regulations not inconsistent therewith. No regulation made in General Meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Certain powers to be  
exercised by Directors  
only

118. The Directors shall exercise on behalf of the Company all powers and do such acts and things, as the Company is authorized to exercise and do, including the powers mentioned in Section 179 and other applicable provisions of the Act and shall do so in compliance with the provisions of such sections.

Restriction on powers

119. The Directors shall not exercise the powers

of Directors

mentioned in Section 180 of the Act otherwise than in compliance with the provisions of that Section.

Company may exercise powers under the Act

120. The Directors may make such arrangements as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint attorneys and agents and fix their remuneration and delegate to them which powers as may be deemed requisite or expedient, in accordance with the applicable provisions of the Act. The Company may exercise all the powers under the Act regarding the use of a foreign seal and matters incidental thereto, and the foreign seal shall be affixed by the authority and in the presence of, and the instruments sealed therewith shall be signed by, such persons as the Directors shall from time to time by writing under the seal appoint.

#### THE SECRETARY

Secretary

121. The Directors shall from time to time appoint a Secretary of the Company either for a fixed time or without any limitation as to the period for which he is to hold such office and may from time to time (subject to the provisions of any contract between him and the Company) remove or dismiss him from

office and appoint another in his place.

#### MANAGING DIRECTOR AND MANAGERS

Power to appoint  
Managing Director and  
Managers

122. Subject to the provisions of the Act, the Directors may appoint any person or persons (including one or more of themselves) to be the Managing Director, Joint Managing Director, Whole-time Director or Executive Director or Managers of the Company on such terms and conditions with the sanction, when so required by the Act, of the Members in a General Meeting and/ or approval of the Central Government (as may be necessary). The Directors shall also have power to appoint and/ or re-appoint consultants and/or technical advisers for the Company for such period and upon such terms as to remuneration or otherwise as the Directors may deem fit and any such consultants and/or technical advisers may be concerns carrying on business and/or incorporated either in India or in any other part of the world.

Delegation of powers  
to Managing Director  
and Managers

123. Subject to the Act and these Articles, the Directors may from time to time entrust to and confer upon Managing Directors for the time being and/ or on the Manager or Managers for the time being or any one or

more of them, such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, collaterally with, or in substitution for, all or any of the powers of the Directors in that behalf; and they may from time to time revoke, withdraw, after or vary all or any of such powers.

#### ALTERNATE DIRECTORS

Board may appoint  
Alternate Directors

124. The Board may appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three Months from India and such appointment will have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to notice of Meetings of the Board or a committee thereof and to attend and vote thereat accordingly , but he shall *ipso facto* vacate office if and when the absent Director returns to India or the absent Director vacates or is removed from office as a Director.

#### THE SEAL

Custody of Seal

125. The Directors shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of the Directors or a committee of the Directors previously given and two Directors (or persons acting on behalf of the Directors under registered power of attorney) at least, or one Director (or person acting on behalf of the Director under registered power of attorney) and the Secretary (or some other person appointed by the Board for the purpose) shall sign every instrument to which the Seal is affixed. Provided, nevertheless, that any instrument bearing the Seal of the Company and issued for a valuable consideration shall be binding on the Company notwithstanding any irregularities touching the authority of the Directors to issue the same.

ANNUAL RETURNS

Annual Returns

126. (a) The Company shall make the requisite annual returns in accordance with the Act and the books of account shall be kept at the Office of the Company or at such other place as the Directors think fit.
- (b) A copy of every financial statement



including consolidated financial statement if any, the Auditor's Report and every document required by law to be annexed or attached thereto shall, as provided in the relevant provisions of the Act, not less than twenty one days before the meeting, be sent to every such Member, debenture-holder, trustee and other person to whom the same is required to be sent by the said provisions.

- (c) Every audited financial statement and Report of the Board as approved by the General Meeting shall be conclusive. Provided that, if any error is subsequently discovered, a revision thereof may be made pursuant to the provisions of Section 131 of the Act.

## DIVIDENDS

How profits shall be divisible

127. Subject to the provisions of the Act, and subject to the rights of Members entitled to shares with preferential or special rights attached thereto, the profits of the Company which it may from time to time determine to divide in respect of any year or other period, shall be applied in the payment of a Dividend on the shares of the Company but so that a partly paid-up share shall only entitle the

holder with respect thereto to such a proportion of the distribution upon, a fully paid-up share as the amount paid thereon bears to the nominal amount of which the share is. When the capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Declaration of Dividends 128. Subject to the provisions of the Act, the Company in General Meeting may declare a Dividend to be paid to the Members according to their rights and interest in the profits and may fix the time for payment.

Restrictions on amount of Dividends 129. No larger Dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller Dividend.

Dividend out of profits only and not to carry interest 130. No Dividend shall be payable in respect of any financial year except out of the profits of the Company during the most recent financial year (after providing for depreciation as per the applicable provisions of the Act) or out of the undistributed profits of previous financial years (after providing for depreciation to the extent aforesaid) or out of both or out of monies provided by the Central or by a State Government for the

payment of Dividend in pursuance of any guarantee given by such Government and no Dividend shall carry interest as against the Company.

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|-------------------------------|--|
| What to be deemed net profits | 131. The determination of the Directors, subject to the applicable provisions of the Act, as to the amount of the net profits of the Company shall be conclusive and binding upon the Members of the Company.  |
| Interim Dividends             | 132. Subject to the provisions of the Act, the Directors may from time to time declare and distribute among the Members such interim Dividends as it may decide.   |
| Debts may be deducted         | 133. Subject to the provisions of the Act, the Directors may retain any Dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.  |
| Dividend and call together    | 134. Any General Meeting declaring a Dividend may make a call on the Members of such amount as the meeting fixes, but so that the call on each Member shall not exceed the Dividend payable to him and so that the call be made payable at the same time as the Dividend and the Dividend may, if so |

arranged between the Company and the Member, be set off against the call.

Capitalization of Reserves

135. Subject to the provisions of the Act, any General Meeting may upon recommendation of the Directors, by ordinary resolution resolve that any monies, investments, or other assets forming part of the undistributed profits of the Company standing to the credit of the Reserve or other Fund or in the hands of the Company and available for Dividend (or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalised and distributed amongst such of the Members, by way of allotment as bonus shares, 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 Members in paying up in full any unissued shares, debentures or debenture-stock (in the manner and to the extent aforesaid) of the Company which shall be distributed accordingly, or in or towards, payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said

capitalised sum.

Fractional Certificates

136. For the purpose of giving effect to any resolution under the last preceding Article, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the bonus shares or capitalised fund as may seem expedient to the Directors. Where requisite, a proper contract shall be filed in accordance with the provisions of the Act, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the bonus shares or capitalised fund, and such appointment shall be effective. Provided that bonus shares shall not be issued in lieu of dividend.

Effect of transfer

137. 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, notwithstanding anything contained in

any other provisions of the act:

- (i) Transfer the Dividend in relation to such Shares to the Unpaid Dividend Account referred to in Section 124 of the Act unless the Company is authorized by the registered holder of such Shares in writing to pay such Dividend to the transferee specified in such instrument of transfer; and
- (ii) Keep in abeyance in relation to such Shares any offer of rights shares or issue of fully paid up bonus shares. under relevant provisions of the Act.

Retention on certain cases

138. The Directors may retain the Dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a Member until such person shall become a Member in respect thereof

Dividend to joint holders

139. Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all Dividends and payments on account of Dividends in respect of such share.

Payment by post

140. Dividend may be paid by cheque or warrant sent through the post to the registered address of or by electronic mode to the

Member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the Register in respect of the joint-holding or to such person (being his bankers) and such address as the Member or person entitled may in writing direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

Unpaid or unclaimed  
Dividends

141. (a) Where the Company has declared Dividend but which has not been paid or claimed within 30 days, from the date of declaration to any/ Member entitled to the payment of the Dividend, the Company shall within 7 days from the date of expiry of the aforesaid period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend Account" and transfer to the said account, the total amount of Dividend which remains unpaid or unclaimed.

(b) Any money transferred to the Unpaid Dividend Account of the Company which remain unpaid or unclaimed for a period of seven consecutive years from the date of such transfer shall be

transferred by the Company in accordance with the provisions of the Act, to the Investor Education and Protection Fund, established by the Central Government in pursuance of Section 125 of the Act.

- (c) No unclaimed or unpaid Dividend shall be forfeited by the Board.

#### BOOKS AND DOCUMENTS

Books of Accounts to be kept

142. The Directors shall cause to be kept proper books of account physically or in electronic mode so as to give a true and fair view with respect to:

- (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (ii) all sales and purchases of goods by the Company;
- (iii) the assets and liabilities of the Company.

Books where to be kept

143. The books of account shall be kept at the Office or subject to the approval of the Board of Directors at such other place in India (to



be notified to the Registrar in accordance with Section 128 of the Act) and shall be open to inspection by the Directors during business hours.

#### FINANCIAL STATEMENT

Profit and loss Account  
and Balance Sheet

144. (a) At each annual general meeting the Directors shall in accordance with the provisions of the Act, cause to be prepared and laid before the Company financial statement in respect of the relevant financial year to which there shall be attached a copy of the Auditors Report and of the Directors Report as required by the Act.
- (b) The said financial statement shall give a true and fair view of the state of affairs of the Company as at the end of the financial year of the Company and shall be in such form as may from time to time be prescribed by law or as near to such form as circumstances admit.
- (c) and the financial statement shall give a true and fair view of the state of affairs of the Company and shall be in such form as may from time to time be prescribed by law or as near to such form as circumstances admit.

## AUDIT

Accounts to be audited  
annually

145. The accounts of the Company shall be examined and the correctness of the financial statement ascertained by one or more auditor or auditors and the provisions of the Act in regard to audit and the appointment and qualification of Auditors shall be observed.

## RECONSTRUCTION

Reconstruction

146. On any sale of the undertaking of the Company, the Directors or the liquidators on a winding-up may, if authorised by a Special Resolution, accept fully paid or partly paid up shares, debentures or securities of any other company, whether incorporated in India or not either then existing or to be formed for the purchase in whole or In part of the property of the Company, and the Directors (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares, or securities, or any other property of the Company amongst the Members without realisation, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal

rights of the Members or contributor: of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or in the course of being wound up, such statutory rights (if any) under the Act as are incapable of being varied or excluded by these presents.

#### SECRECY

Secrecy

147. Every Director, Manager, auditor, trustee, officer, Member of a committee, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Directors sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required 'so to do by the Directors or by any meeting or by a court of law and except so far as may

be necessary in order to comply with any of the provisions in these presents contained.

#### WINDING – UP

- |                                     |   |
|-------------------------------------|---|
| Distribution of assets              | 148. If the Company shall be wound up and the assets available for distribution among the Members as such are insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding-up, paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions. |
| Distribution of assets<br>in specie | 149. If the Company shall be wound up whether voluntarily or otherwise the liquidators may  |

with the sanction of a Special Resolution divide among the Members in specie or kind any part of the assets of the Company, and may with the like sanction vest any pan of the assets of the Company in trustees upon such trusts for the benefit of the Members or any of them as the liquidators, with the like sanction, shall think fit.

#### INDEMNITY

#### Indemnity

150. Every Director, managing agent, Manager, or officer of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, managing agent, Manager, officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application in which relief is granted to him by the Court.