

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

Table A not to apply but Company to be governed by these articles

1. No Regulation contained in Table F in the First Schedule to the Companies Act, 2013 or in analogous schedule to any previous or subsequent analogous law shall apply to this Company, except in regard to matters not specifically provided in these Articles, but the regulations for the management of the Company and for the observance of the members thereof and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to, its resolutions by Special Resolution as prescribed by the said Companies Act 2013 be such as are contained in these Articles.

**INTERPRETATION**

Interpretation clauses

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

"The Company" or "This Company"

'The Company' or 'this Company' means JSW ENERGY LIMITED.

"The Act"

'The Act' means 'The Companies Act, , 2013 or any statutory modification or re-enactment thereof for the time being in force.

"Auditors"

'Auditors' means and includes those persons appointed as such for the time being by the Company.

"Beneficial Owner"

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;

"Board" or "Board of Directors"

'Board' or 'Board of Directors' means a meeting of the Directors duly called and constituted, or, as the case may be, the Directors assembled as the Board of Directors of the Company collectively.

"Capital"

'Capital' means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

"Debenture"

'Debenture' includes debenture-stock.

"Depository"

'Depository' means a company formed and registered under the Companies

Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992;

"Directors"	'Directors' means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board.
"Dividend"	'Dividend' includes bonus.
"Gender"	Word importing the masculine gender also includes the feminine gender.
"In Writing" and "Written"	'In writing' and 'Written' include printing, lithography and other modes of representing or reproducing words in a visible form.
"Member"	'Member' means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company.
"Meeting" or "General Meeting"	'Meeting' or 'General Meeting' means a meeting of members.
"Annual General Meeting"	'Annual General Meeting' means a general meeting of the members held in accordance with the provisions of Section 96 of the Act.
"Extraordinary General Meeting"	'Extraordinary General Meeting' means an extraordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
"Month"	'Month' means a calendar month.
"Office"	'Office' means the registered office for the time being of the Company.
"Paid-up"	'Paid-up' includes credited as paid up.
"Persons"	'Persons' includes corporations and firms as well as individuals.
"Register of Members"	'Register of Members' means the register of members to be kept pursuant to the Act.
"The Registrar"	'The Registrar' means the Registrar of Companies of the State in which the office of the Company is for the time being situated.
"Secretary"	'Secretary' includes a temporary or Assistant Secretary or any person or persons appointed by the Board to perform any of the duties of a Secretary.
"Seal"	'Seal' means the Common Seal for the time being of the Company.
"SEBI"	'SEBI' means the Securities and Exchange Board of India;

"Security"	'Security' means such security as may be specified by SEBI from time to time.
"Share"	'Share' means share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
"Singular Number"	Words importing the singular number include, where the context admits or requires, the plural number and vice-versa.
"Ordinary Resolution" and "Special Resolution"	'Ordinary Resolution' and 'Special Resolution' shall have the meanings assigned thereto by Section 114 of the Act.
"Year" and "Financial Year"	'Year' means the calendar year and 'Financial Year' has the meaning assigned thereto by Section 2(41) of the Act.

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

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

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

"Amount of Capital"	<p>The Authorised Capital of the Company will be as stated in Clause V of the Memorandum of Association, with the right and power to increase or reduce its Share Capital from time to time and to divide the Shares in the Share Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Act and the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and to acquire, purchase, hold, re-sell, any of its own fully/ partly paid equity and / or preference Shares whether redeemable or not and to make any payment out of Share Capital or out of funds at its disposal, for and in respect of such purchase, subject to the provisions of the Act in force from time to time.</p> <p>The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the Depositories and/ or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p>
---------------------	--

- Increase of Capital by the Company and how carried into effect
- 4.** The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.
- New Capital same as existing capital
- 5.** Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- Redeemable Preference Shares
- 6** Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue from time to time, Redeemable Cumulative and / or Non-Cumulative, Convertible and / or Non-Convertible Preference Shares and such Preference may confer upon the holders thereof: (i) the right to be paid a fixed preferential dividend either as a fixed amount or at a fixed rate specified by the terms of issue of such from time to time in respect of the amount paid –up on the ; (ii) the right to attend meetings and vote on resolutions directly affecting their rights, resolutions for the winding up of the Company, resolutions for the repayment or reduction of equity or preference Shares Capital; (iii) right to attend meetings and vote on all resolutions where the dividend due on the Shares is in arrears for not less than two years before the meetings; and (iv) in case of winding-up or repayment of Capital, a preferential right of return of the Share Capital paid-up or deemed to be paid up together with arrears of cumulative preferential dividend due thereon, but without any further right or claim over the assets of the Company.
- Provision to apply on issue of Redeemable Preference Shares
- 7.** On the issue of Redeemable Preference Shares under the provisions of Article 9 hereof the following provisions shall take effect:
- (a)** no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b)** no such share shall be redeemed unless they are fully paid;
- (c)** the premium if any, payable on redemption must have been provided for

out of the profits of the Company or the Company's Share Premium Account (as applicable in terms of Section 55 of the Act) before the shares are redeemed;

**(d)** where any such share are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

Reduction of  
Capital

**8.** The Company may (subject to the provisions of Section 52,55,66 and other applicable provisions of the act ), from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Sub-division,  
Consolidation and  
Cancellation of  
Shares

**9.** Subject to the provisions of Section 61 of the Act the Company in general meeting may, from time to time, alter its memorandum to increase its Share Capital; sub-divide or consolidate its shares, or any of them, convert shares into stock and vice-versa; the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of  
rights

**9A.** The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law –

- a) Its Share capital;
- b) Any capital redemption reserve account; and
- c) Any Share premium account

**10.** Whenever the capital, by reason by the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class, may, subject to the provisions of Section 48 of the Act, and the terms of issue of such class of shares, and whether or not the Company is being wound up be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the

class or is sanctioned by a special resolution passed at a separated general meeting of the holders of shares of that class.

Issue of further pari passu Shares not to affect the right of Shares already issued

10A. The rights conferred upon the holder 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.

### SHARES AND CERTIFICATES

Register and Index of Members

11. The Company shall cause to be kept a Register and Index of Members, debenture-holders and other security holders in accordance with Section 88 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.

Shares to be numbered progressively and no share to be sub-divided

12. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Further Issue of Capital

13.

(a) Where at any time the Company proposes to increase its Subscribed Capital by the issue of further Shares, then such further Shares shall be offered to the persons who at the date of the offer, are holders of the equity Shares of the Company, in proportion, as nearly as circumstances admit, to the Shares Capital paid-up on these Shares in accordance with Section 62 of the Act.

(b) Notwithstanding anything contained in the preceding sub-clause the Company may by a special resolution offer further to any persons (including employees under a scheme of employees' stock option) and such person or persons may or may not include the persons who at the date of the offer are the holder of the equity Shares of the Company.

(c) Notwithstanding anything contained in sub-clause (a) above but subject however, to Section 62(3) of the Act, the Company may increase its Subscribed Capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into Shares, or to subscribe for Shares, or to subscribe for Shares in the Company.

Share under control of Directors

14. \*\*Subject to the provisions of these Articles and of the Act, the Shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons in such proportion or such terms and conditions and at such times as the Directors think fit and subject to the sanction of the

Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Section 52 and 53 of the Act) at a premium or at a discount and such option being exercisable for such time and for such consideration as the Directors think fit.

The Board shall cause to be filed the return as to allotment as provided for in the Act.

- |  |  |
|--|--|
| Power also to Company in General Meeting to issue shares | <b>15.</b> In addition to and without derogating from the powers for that purpose conferred on the Board under Article 13 and 14 the Company in general meeting may, subject to the provisions of Section 62 of the Act determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 52 and 53 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for a such consideration as may be directed by such General Meeting or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares. |
| Acceptance of Shares                                     | <b>16.</b> Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be a acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of members[or the register of beneficial owners maintained by depository] shall, for the purposes of these Articles, be a Member.  |
| Deposit and call etc. to be a debt payable immediately   | <b>17.</b> The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holders of such shares become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly  |
| Liability of Members                                     | <b>18.</b> Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amount, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.  |
| Shares Certificate                                       | <b>19. Subject to the provisions of Section 46 and the rules made thereunder:</b><br><b>(a)</b> Every member or allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is   |

issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits it, at least one of the aforesaid two Directors shall be a person other than a Managing or a whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.

**(b)** Any two or more joint allottees or a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 46 of the Act and the rules made thereunder.

**(c)** A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

Renewal of Share  
Certificate

**20. Subject to the provisions of Section 46 of the Act and the made thereunder:**(a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.

**(b)** When a new share certificate has been issued in pursuance of clause (a) of this Article it shall state on the face of it and against such counterfoil to the effect that it is "issued in lieu of share certificate No..... Sub-divided/replaced/on consolidation of shares".

**(c)** If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company investigating evidence, as the Board thinks



fit.

**(d)** When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it or counterfoil to the effect that it is 'duplicate issued in lieu of share certificate No. ....' The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate.

**(e)** When a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the 'Remarks' Column.

**(f)** All blank forms to be issued for issue of share certificate shall be printed and printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consequently machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

**(g)** The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates.

**(h)** All books referred to in sub-Article (g) shall be preserved in good order permanently.

The first named joint holders deemed sole holder

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

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

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

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

**23.** None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding company save as provided by Section 67 of the Act. The Company may, however, undertake a buy-back of its securities in accordance with Section 68,70 and other applicable provisions of the Act.

### **UNDERWRITING AND BROKERAGE**

Commission may be paid

**24.** Subject to the provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure, subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed (the lower of) in the case of shares five percent of the price at which the shares are issued and in the case of debentures two and a half percent of the price at which the debentures are issued or the rate or amount of commission prescribed in rules made under the Act. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or the other

Brokerage

**25.** The Company may pay a reasonable sum for brokerage.

### **CALLS**

Director may make calls

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

Notice of calls

**27.** Fifteen days' notice in writing of any call shall be given by the Company specifying the time, place of payment, and the person or persons to whom such call shall be paid.

Calls to date from resolution

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

Call may be revoked or postponed

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

Liability of joint holders	<b>30.</b> The joint-holders of share shall be jointly and severally liable to pay all calls in respect thereof.
Directors may extend time for call	<b>31.</b> The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who from, residence at a distance or other cause, the Board may deem fairly entitled to such extension save as a matter of grace and favour.
Calls to carry interest	<b>32.</b> If any member fails to pay any call due from him on the day appointed for the payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 18 percent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
Sums deemed to be calls	<b>33.</b> Any sum, which by the terms of issue of a share becomes payable on allotment or at fixed date, whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
Proof of trial of Suit for money due on shares	<b>34.</b> On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, or that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call made was duly convened or constituted nor any matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call made was duly convened or constituted nor any matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Partial payment not be preclude forfeiture	<b>35.</b> Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares either by way of principal or interest, nor any indulgence granted by the

Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of calls may carry interest

**36. (a)** The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or at any time repay the same upon giving to the member three month's notice in writing. Providing that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.

**(b)** No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

#### LIEN

Company to have lien on shares

**37.** The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with other) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and on all Shares (other than fully paid-up Shares) standing registered in the name of single person, for all monies presently payable by him or his estate to the Company, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 22 hereof is to have full effect. Any such lien shall extend to all dividends and bonuses declared from time to time declared in respect of such shares.

Unless otherwise agreed for registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, in such shares.

Enforcing lien for sale

**38.** For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise any person to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until fourteen days notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment,

fulfillment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

38A. The purchaser shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of  
proceeds or sale

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

### **FORFEITURE OF SHARES**

Notice to the  
member who has  
not paid call

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

Form of Notice

**41.** The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment thereon at such rate not exceeding 18 percent per annum as the Directors shall determine from the day on which such call or installment ought to have been paid and expense as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

In default of  
payment shares to  
be forfeited

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

Notice of forfeiture  
to a member

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

entry as aforesaid.

Forfeited share to be property of the Company and may be sold etc.	<b>44.</b> Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.
Member still liable to pay money owing at time of forfeiture and interest	<b>45.</b> Any member whose shares have been forfeited shall cease to be a member in respect of the forfeited Shares. Such member shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture, until a payment, at such rate not exceeding 18 percent per annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.
Effect of forfeiture	<b>46.</b> The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
Evidence of forfeiture	<b>47.</b> A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claimed to be entitled to the shares.
Validity of sale under Articles 38 and 44	<b>48.</b> Upon any sale after forfeiture or for enforcing a lien purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of member in respect of the share sold, and the purchaser shall not be bound to see the regularity of the proceedings, or to the applications of the purchase money, and after his name has been entered in the Register of member in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Cancellation of share certificates in respect of forfeited shares	<b>49.</b> Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
Power to annul	<b>50.</b> The Board may at any time before any share so forfeited shall have been

forfeiture sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

### **TRANSFER AND TRANSMISSION OF SHARES**

Register of Transfers **51.** The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

Form of transfer **52.** Shares in the Company may be transferred by an instrument in writing as provided by the provisions of the Act, such instrument of transfer shall be in the form prescribed and shall be duly stamped and delivered to the Company within the prescribed period.

Transfer form to be completed and presented to the Company **53.** The instrument of Transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate of the shares must be delivered to the Company.

Transfer Books and Register of Members when close **54.** The Board shall have power on giving not less than seven day's previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer Books, the Register of Members or Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

Directors may refuse to register transfers **55.** Subject to the provisions of Section 58 of the Act, Board may, in due and strict accordance and compliance with the provisions of the Securities Contract (Regulation) Act 1956, decline to register or acknowledge any transfer of shares, whether fully paid or not, (notwithstanding that the proposed transferee be already a member), but in such cases it shall, within thirty days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer. The 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 on any account whatsoever except a lien on shares.

Notice of application when to be given **56.** When in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

Death of one or more joint holders of shares	<b>57.</b> In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
Nomination of Shares / Debentures	<p><b>57A.</b></p> <p><b>1)</b> Every holder/joint holder of shares in or holder/joint holder of debentures of the Company, may at any time, nominate, in accordance with the provisions of and in the manner provided by Section 72 of the Companies Act, 2013 or any amendments thereof from time to time, a person to whom all the rights in the relevant securities of the Company shall vest in the event of death of the holder/joint holder.</p> <p><b>2)</b> Any person, being a nominee, becoming entitled to a security by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the security except that he shall not before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p>
Title of deceased Member	<b>58.</b> The executors or administrators or holder of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such Executors or administrators or legal representatives shall have first obtained Probate or Letter of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Articles 61, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.
No transfer to infant etc.	<b>59.</b> No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.
Registration of person entitled to shares otherwise than by transfer	<b>60.</b> Subject to the provisions of the Act and Articles 57 and 58 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it



shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Articles or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.

Person entitled may receive dividend without being registered as Member	<b>61.</b> A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for, any dividend or other moneys payable in respect of the share. Such person shall not, before registered as a member in respect of the Share, be entitled in respect of it exercise any right conferred by membership in relation to meetings of the Company.
Fee on transfer or transmission	<b>62.</b> There shall be paid to the Company in respect of the transfer or transmission of any number of Shares such fee, if any, as the Directors may require.
Company not liable for disregard of a notice prohibiting registration of a transfer	<b>63.</b> The Company shall incur no liability or responsibility whatsoever in consequence of its giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of person having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such Equitable right, title or interest or notice prohibiting registration of such transfer, and may have such notice, referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

### **DEMATERIALIZATION OF SECURITIES**

Dematerialisation of securities	<b>63 A.</b> 1. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.
Option for investors	2. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of

any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

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

Securities in depositories to be in fungible form

3. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 187 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of Depository and Beneficial Owners

4. a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

b) Save as otherwise provided in (i) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service Documents

5. Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

Allotment of Securities dealt with by a depository

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

Distinctive numbers of Securities held in a depository

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

Register and Index of Beneficial Owners

8. The Register and Index of beneficial owners maintained by a depository under Depositories Act, 1996 and any other amendments made thereto from time to time shall be deemed to be Register and Index of Members

and Security holders for the purposes of these Articles.

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

Copies of Memorandum and Articles of Association to be sent by the Company	<b>64.</b> Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of sum of Rupee one for each copy.
--	--

### **BORROWING POWERS**

Power to borrow	<b>65.</b> Subject to the provisions of Sections 179 and 180 of the Act the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company, provided however, that where the moneys, to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.
-----------------	--

Payment or repayment of moneys borrowed	<b>66.</b> Subject to the provisions of Article 66 hereof, the payment or re-payment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Special Resolution shall prescribe including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being; and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
---	--

Terms of issue of Debentures	<b>67.</b> Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into share of any denomination, and with any privileges and condition as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the general meeting by a Special Resolution.
------------------------------	---

Register of Mortgage etc. to be kept	<b>68.</b> The Board shall cause a proper Register to be kept in accordance with the provision of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the
--------------------------------------	--

requirements of Section 77 to 87 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fall to be complied with by the Board.

Register and Index of Debenture holders **69.** The Company shall, if at any time it issues debentures or other securities, keep a Register and Index of Debenture holders or security-holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture holders or security-holders resident in that State or Country.

### SHARE WARRANTS

Power to issue share warrants **70.** The Company may issue share warrants subject to, and in accordance with the provisions of the Act and accordingly the Board may in its discretion with respect to any share which is fully paid, upon application in writing signed by the persons registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

Deposit of Share Warrants **71. (1)** The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition of calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.

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

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

Privileges and disabilities of the holder of Share warrant **72. (1)** Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

**(2)** The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the share included in the warrant; and he shall be a member of the Company.

Issue of new share warrant coupon **73.** The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal

in case of defacement, loss or destruction.

### **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

Shares may be converted into stock

**74.** The Company in general meeting may convert any paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination.

Right of stock holders

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

### **MEETINGS OF MEMBERS**

Annual General Meeting Annual Summary

**76.** The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year. All General Meetings other than Annual General Meeting shall be called Extra-ordinary General Meetings. The first Annual General Meeting shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for at a time during business hours, i.e 9.00 a.m to 6.00 p.m on a day that is not a national holiday, and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated as the Board may determine and the Notice calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concern him as Auditor. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and financial statements as required under the Act , Auditor's Report (if not already incorporated in the Audited Statements of Account), the Proxy Register with proxies and the Register of Directors shareholdings which later Register shall

remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Section 92 and 129 of the Act.

- Extra-ordinary General Meeting **77.** The Board may, whenever it thinks fit, call an Extra ordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.
- Requisition of Members to state object of meeting **78.** Any valid requisition so made by members must state the object or objects of the Extraordinary General meeting proposed to be called, and must be signed by the requisitioner and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- On receipt of requisition Directors to call Meeting and in default requisitionists may do so **79.** Upon the receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited at the registered office to cause an Extraordinary General meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them may themselves call the Extraordinary General meeting, but in either case any Extraordinary General meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- Meeting called by requisitionists **80.** Any Extraordinary General meeting called under foregoing articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which Extraordinary General meetings are to be called by the Board.
- Twenty-one day's notice of meeting to be given **81.** Twenty-one clear days' notice in writing or through electronic mode at least of every General Meeting, Annual or Extra-ordinary, and by whosoever called specifying the date, day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing or through electronic mode of all members entitled to vote thereat and in case of any other meeting, with the consent in writing of members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of financial statements and Reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting in any

event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any therein of every Director, and the Manager (if any), key managerial personnel and relatives of such persons where any such item of special business relates to or affects any other Company, the extent of share-holding interest in other company of every promoter director and the manager, if any, of the company shall also be set out in the statement if the extent of such shareholding interest is not less than 2(two) percent of the paid-up share capital of that other Company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed

**82.** The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

Meeting not to transact business not mentioned in notice

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

Quorum at General Meeting

**84.** The quorum for a General Meeting shall be as set out in Section 103 of the Act.

Body corporate deemed to be personally present

**85.** A body corporate being a member shall be deemed to be personally present if it is duly represented by an authorized representative.

If quorum not present, meeting to be dissolved or adjourned

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

Chairman of General Meeting

**87.** The Chairman (if any) of the Directors shall be entitled to take the Chair at every General Meeting whether Annual or Extra-ordinary. If there be no such Chairman of the Directors, or, if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be

unable or unwilling to take the Chair, then the Vice-Chairman (if any) of the Directors shall be entitled to take the Chair and if there be no such Vice-Chairman or if he be not so present, the members present shall elect another director as Chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of their member to be the Chairman.

Business confined to election of Chairman whilst Chair vacant

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

Resolution by Postal Ballot

**88A.** Subject to applicable law but notwithstanding anything contained in the Articles of the Company, the Company may adopt the mode of passing a resolution by the members of the Company by means of postal ballot and /or other ways as may be prescribed by the Act and /or by the Central Government in this behalf from time to time in respect of the following matters instead of transacting such business in a General Meeting of the Company:

- Any business that can be transacted by the Company in a General Meeting; and
- Particularly resolutions relating to such business as the Act, or the Central Government has by notification, declared to be conducted only by postal ballot and /or other ways and the Company shall comply with procedure for such postal ballot and/or other ways prescribed by the Central Government in this regard.

Chairman with consent may adjourn meeting

**89.** The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place.

Question in General meeting how decided

**90.** At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless voting is carried out electronically or poll is (before or on declaration of the result of the show of hands) demanded by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five lakh rupees or such higher sum as may be prescribed by law has been paid-up and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

Chairman's Casting vote

**91.** In the case of an equality of votes, the Chairman shall both on show of hands and at a poll (if any) have a casting vote in addition to the vote or votes



to which he may be entitled as member.

- |  |   |
|--|---|
| Poll to be taken, if demanded                                | <b>92.</b> If a poll is demanded as aforesaid, the same shall be taken at such time (not later than forty-eight hours) from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situated and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.  |
| Scrutineers at poll  | <b>93.</b> Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the Scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.  |
| In what case poll taken without adjournment                  | <b>94.</b> Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.   |
| Demand for poll not to prevent transaction of other business | <b>95.</b> The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question which the poll has been demanded.  |
| Members in arrears not to vote                               | <b>96.</b> No members shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and exercised, any right of lien.   |
| Number of votes to which member entitled                     | <b>97.</b> Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Articles shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any meeting of the Company save as provided in sub-section (2) of Section 47, of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. |

- Casting of votes by a member entitled to more than one vote **98.** On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all votes he uses.
- How members non-composment is and minor may vote **99.** A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction, may vote, whether on a show of hands or on a poll by his committee or other legal guardian. Similarly, the guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting, shall vote on any shares held by minor member.
- Votes of joint-members **100.** If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, that one of the said person so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrator of a deceased member in whose name shares stand shall for purpose of these Articles be deemed joint-holders thereof.
- Voting in person or by proxy **101.** Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a representative duly authorised in accordance with the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.
- 101A.** A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
- Votes in respect of shares of deceased and insolvent Members **102.** Any person entitled under Article 61 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
- Appointment of proxy **103.** Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the

meetings.

Proxy for specified meeting	<b>104.</b> An instrument of proxy may appoint a proxy for the purpose of a particular meeting specified in the instrument and any adjournment thereof.
Proxy to vote only on a poll	<b>105.</b> A member present by proxy shall be entitled to vote only on a poll.
Deposit of instrument of appointment	<b>106.</b> The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the registered office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
Form of proxy	<b>107.</b> Every instrument of proxy shall as nearly as circumstances will admit, be in any of the forms set out in the Act and the rules made thereunder.
Validity of votes given by proxy notwithstanding death of Member	<b>108.</b> A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity or revocation or transfer shall have been received at the office before the meeting.
Time for objections of votes	<b>109.</b> No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
Chairman of the meeting to be judge of validity of any vote	<b>110.</b> The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present on the taking of poll shall be the sole judge of the validity of every vote tendered at such poll.
Minutes of General Meeting and inspection thereof by Members	<p><b>111.(1)</b> The Company shall cause minutes of all proceedings of every General Meeting and every resolution passed by way of postal ballot to be kept by making within thirty days of the conclusion of every such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p><b>(2)</b> Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within that period or by a Director duly authorised by the Board for the purpose.</p>

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of each meeting shall contain a fair and correct summary of the proceeding thereat.

(5) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meeting.

(6) Nothing herein contained shall require or be deemed to require the inclusion in any such minute of any matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as, defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company.

The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(7) Any such minute shall be evidence of this proceedings recorded therein.

(8) The book containing the minutes of proceedings of General Meetings or resolution passed by postal ballot shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than two hours in each day as the Directors determine, to the inspection of any Member without charge.

(9) Any Member, debenture holder, security holder or beneficial owner or any other person may require a copy of any register, or part thereof, maintained by the Company in accordance with Section 88 of the Act by the payment of a fee of Rs.10 (Rupees Ten only) per page.

## **DIRECTORS**

Number of  
Directors

**112.(1)** Until otherwise determined by a General Meeting of the Company by way of special resolution and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.

(2) The first Directors of the Company shall be:

1. Shri Sajjan Jindal
2. Shri Henri Mayers
3. Shri Florent Gheeraert
4. Shri Prithvi Raj Jindal

- Power to appoint ex-officio Directors **113.** Whenever directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as "**the appointer**") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more persons, who are acceptable to the Board, as Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or other in his or their place and also fill in vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this Articles shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.
- Debenture director **114.** Subject to provision of Section 152 of the Act, if it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.
- Appointment of Alternate Director **115.** At the request of the concerned Director, the Board may appoint an Alternate Director to act for requesting Director (hereinafter called "**the Original Director**") during his absence for a period of not less than three months from India. Alternate Director appointed under the Article shall not hold office for a period longer than that permissible to the Original Director in which place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India , any provisions in the Act or in these Articles for the automatic re-appointment of retiring Director in defaulting of another appointment shall apply to the Original Director and not to the Alternate Director.
- Director's power to add to the **116.** Subject to the provisions of Section 161 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person

Board	to be additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 112. Any such additional Director shall hold office only up to the date of the next Annual General Meeting or last date on which such Annual General Meeting should have been held.
Director's power to fill casual vacancies	<b>117.</b> Subject to the provisions of Section 161, and other applicable provisions of the Act, the Board shall have power at any time and from time to time to appoint any other qualified and eligible person to be Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.
Qualification of Directors	<b>118.</b> A Director of the Company shall not be bound to hold any qualification share(s).
Remuneration of Directors	<p><b>119.(1)</b> Subject to the provisions of the Act, a Managing Director and Directors, in the whole-time employment of the Company, may be paid remuneration either by way of a monthly payment, fee for each meeting or participation in profits or by any or all these modes and/or any other mode not expressly prohibited by the Act.</p> <p><b>(2)</b> Subject to the provisions of the Act a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either;</p> <ul style="list-style-type: none"> <li><b>(i)</b> by way of monthly, quarterly and annual payment with the approval of the Central Government (if such approval is required); or</li> <li><b>(ii)</b> by way of commission if the Company by a special resolution authorised such payment.</li> </ul> <p><b>(3)</b> Unless otherwise determined by the Company in general meeting, the fee payable to a Director for attending a meeting of the Board or Committee thereof shall be such amount as may be fixed by the Board of Directors, from time to time, subject to such limits, if any, as may be prescribed under the Act.</p>
Travelling Expenses incurred by Director not a bonafide resident or by Director going out on Company's business	<b>120.</b> The Board may allow and pay to any Director, who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.
Director may act	<b>121.</b> The continuing Directors may act notwithstanding any vacancy in their

notwithstanding a vacancy body but if, and so long as their number is reduced below the minimum number specified in Article 112 hereof the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number or of summoning a General Meeting, but for no other purpose.

When office of Directors to become vacant

**122.** Subject to Section 164 and 167 of the Act the office of a Director shall become vacant if:

- he is found to be of unsound mind by a Court of Competent jurisdiction; or
- he applies to be adjudicated an insolvent;
- he is adjudged an insolvent;
- he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such call; or
- he absents himself from all the meetings of the Directors held during a period of twelve months with or without seeking leave of absence from the Board; or
- he becomes disqualified by an order of the Court or tribunal under Section 167 of the Act; or
- he is removed in pursuance of Section 169; or
- he acts in contravention of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested (or
- he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act; or
- he is convicted by a Court of an offence, whether involving moral turpitude or otherwise, and 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
- he is convicted by court of an offence and sentenced in respect thereof to imprisonment for a period of seven years or more; or
- he has been convicted of the offence dealing with related party transactions under Section 188 of the Act at any time during the last preceding five years; or

- he has not complied with sub-section (3) of Section 152 of the Act; or
- he is disqualified from holding office in terms of sub-section(2) of Section 164 of the Act; or
- having been appointed a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate Company, he ceases to hold such office or other employment in the Company;
- he resigns his office by a notice in writing or through electronic means addressed to the Company

Director may contract with Company

**123.(1)** A Director or his relative, firm in which such Director or relative is a partner, any other partner in such firm or a private company of which the Director is a member or director may enter into any contract with the Company including for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in or debentures of the Company, provided the requirements of Section 184, 185, 188 and other applicable provisions of the Act are complied with.

Disclosure of Interest

**124.** A Director of the company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or two or more of them together holds not more than two per cent of the paid-up share capital in any such Company.

General Notice of Interest

**125.** A General Notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm or association of individuals and is to be regarded as concerned or interested in any contracts or arrangement so made shall be deemed to be a sufficient disclosure. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given at the first meeting of the Board in the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be effective unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Interested Directors not to

**126.** No Director shall as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on



- participate or vote in Board's proceedings
- behalf of the Company, if he is in any way whether directly or indirectly, concerned or interested in such contract or arrangement;
- Register of Contracts in which Directors are interested
- 127.** The Company shall keep a Register in accordance with Section 189 and shall within the time specified in Section 189(2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 184 of the Act. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the companies, bodies corporate, firms and associations of which notice has been given by him under Article 125. The Register shall be kept at the registered office of the Company and shall be open to inspection at such registered office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.
- Directors may be directors of companies promoted by the Company
- 128.** Subject to the provisions of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or share-holder of such company.
- Retirement and rotation of Directors
- 129.** At every Annual General Meeting of the Company one-third of such of the Directors for time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Debenture Director, if any, shall not be subject to retirement under this clause.
- (a)** Not less than two thirds of the total number of directors, as understood under Section 152 of the Act, shall be persons whose period of office is liable for determination by retirement of Directors by rotation and save as otherwise expressly provided herein, be appointed by the Company in General Meeting.
- (b)** The remaining Directors not exceeding one-third of the total number of Directors, as understood under Section 152 of the Act, for the time being in office, shall not be liable to retire by rotation in terms of Section 152 of the Act read with provisions of Article 113 hereof
- (c)**The Director appointed as Managing Director of the Company pursuant Article 138 shall not be liable to retire by rotation so long as he continues to hold such position.
- (d)** If the number of directors whose period of office is liable for determination by retirement by rotation is less than two thirds of the total number of directors then, notwithstanding anything contained in any agreement, any resolution of the Board or of the Members or in the Articles of Association, such number of

Directors as are otherwise not liable to retire by rotation be also be liable to retire to comply with the provisions of Section 152 of the Act.

Ascertainment of Directors retiring by rotation and filling of vacancies

**130.** Subject to Section 152 of the Act, the Directors to retire by rotation under Article 129 at every General Meeting shall be those who have been longest in office since their last appointment, but as between persons who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

Eligibility for re-election

**131.** A retiring Director shall be eligible for re-election.

Company to appoint successors

**132.** the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

**133. (a)** If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

**(b)** If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless.

- (i)** at the meeting or at the previous meeting resolution for the re-appointment of such Director has been put to the meeting and lost;
- (ii)** the retiring director has, by a notice in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
- (iii)** he is not qualified or is disqualified for appointment;
- (iv)** a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provision of the Act; or
- (v)** the provision to sub-section (2) of Section 162 of the Act is applicable to the case.

Company may increase or reduce the number of Directors

**134.** Subject to Section 149 of the Act, the Company may by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter the qualifications and the Company may (subject to the provisions of Section 169 of the Act) remove any Directors before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he

is appointed would have been held the same if he had not been removed.

Notice of candidate for office of Director except in certain cases

**135. (1)** No person not being a retiring director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office. Such person or the member as the case may be, shall deposit an amount of One Lakh Rupees or such amount as may be prescribed under Section 160 of the Act, which shall be refunded to him or, as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent of the total valid votes cast either on show of hands or on a poll on such resolution.

**(2)** Every person proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

**(3)** A person shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such director.

Register of Directors etc. and notification of change to Register

**136. (a)** The Company shall keep at its registered office a Register containing the particulars of its Directors and key managerial personnel as may be prescribed under Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

**137.** Subject to Section 196 and other applicable provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any one or more of its number as the Managing Director or Managing Directors or Whole-time Directors or Directors (including Technical Director) of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit., and subject to the provisions of Article 138 , the Board may, by resolution, vest in such Managing Director or Managing Directors or Whole-time Director or Directors (including Technical Director) such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director or Managing Directors or Whole-time Director or Directors (including Technical Director) may be, by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, and/or any other mode not expressly prohibited by the Act.

Managing director shall not exercise the powers without

**138.** The Managing Director shall not exercise the powers to,

**(a)** make calls on shareholders in respect of money unpaid on the shares in

the consent of the Board

- the Company.
- (b)** Authorize the buy-back of securities
  - (c)** Issue securities, including debentures, whether in or outside India;
  - (d)** approve the financial statement and the Board's report ;
  - (e)** diversify the business of the Company;
  - (f)** approve an amalgamation, merger or reconstruction;
  - (g)** takeover over a company or acquire a controlling or substantial stake in another company;
  - (h)** take any action on a matter notified under Section 179(3)(k) of the Act, and expect pursuant to a resolution passed at the Board meeting under Section 179 of the Act shall not exercise the powers to:
    - (i)** borrow moneys, otherwise than on debentures;
    - (j)** invest the funds of the Company, and
    - (k)** grant loans, give guarantee or provide security in respect of loans;

Certain person not to be appointed Managing Director

**139.** Subject to the provisions of Section 196(3), the Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing Director or Whole-time Director who

- (a)** is below the age of twenty-one years or has attained the age of seventy years (provided, however, that a person who has attained the age of seventy years may be appointed by way of special resolution);
- (b)** is an undischarged insolvent, or has at any time been adjudged an insolvent
- (c)** suspends, or has at any time suspended, payment to his creditors, or makes or has at any time made, a composition with them makes or has at any time made, a composition with them; or
- (d)** has at any time been convicted by a Court of an offence and sentenced for a period of more than six months

Managing Director

**140.** A Managing Director shall not, while he continues to hold that office, be

Non-retiring Director subject to retirement by rotation, in accordance with Article 129 . If he ceases to hold the office of Director he shall ipso facto immediately cease to be a Managing Director.

**141.** Subject to applicable law, an individual may be appointed as both the Chairman as well as the Managing Director / Chief Executive Officer of the Company at the same time.

### **PROCEEDING OF THE BOARD OF DIRECTORS**

Meeting of Directors **142.** The Director may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Notice of Meetings **143.** Notice of every meeting of the Board shall be given in writing to every Director, at his usual address and as prescribed under Section 173 of the Act.

Quorum **144.** Subject to Section 174 of the Act, the quorum of a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one third being rounded off as next number one) or two Directors whichever is higher; Provided that where at any time the number of interested directors exceeds or is equal to two-thirds of the strength, the number of the remaining Directors, who are not interested, present at the meeting being not less than two shall be the quorum during such time.

144A. The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

Adjournment of meeting for want of quorum **145.** If a meeting of the Board could not be held for want of a quorum, then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

When meeting to be convened **146.** The Secretary shall, as and when directed by a Director to do so, convene a meeting of the Board by giving a notice in writing to every other Director.

Chairman **147.** The Directors may, from time to time, elect from among their number, a Chairman of the Board and a Vice-Chairman of the Board and determine the period for which they are respectively to hold office. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time

appointed for holding the same, the Vice-Chairman shall act as the Chairman of the meeting and if the Vice-Chairman be also not so present, the Directors present may choose one of their member to be Chairman of the Meeting.

- Questions at Board Meeting how decided **148.** Questions arising at any meeting of the Board of Directors shall be decided by majority of votes and in the case, of an equality of votes, the Chairman shall have a second or a casting vote.
- Power of Board Meeting **149.** A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.
- Directors may appoint Committee **150.** Subject to the restriction contained in Section 179(3) of the Act the Board may delegate any of their powers to Committees of the Board consisting of such Member or Members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to person or purposes, but every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such relations and fulfillment of the purposes of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.
- Meeting of Committee how to be governed **151.** The meeting and proceeding of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
- Resolution by circulation **152.** No resolution shall be deemed to have been duly passed by the Board or by Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or to all the Members of the Committee, at their registered address in India, and has been approved by majority of the directors or members of the Committee as are entitled to vote on the resolution. Provided that, 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 of the Board, the Chairman shall put such resolution to be decided at a meeting of the Board and not by circulation.
- Acts of Board or Committee valid notwithstanding informal appointment **153.** All acts done by any meeting of the Board or by a committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any of provisions contained in the Act or in these

Articles, be as valid as if every such person had been duly appointed, and was qualified to be Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of proceeding of meeting of the Board

**154.(1)** The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with, their pages consecutively numbered.

**(2)** Each page of every book shall be initialed or signed and the last page of the record of proceedings of each meetings in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

**(3)** In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

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

**(5)** All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

**(6)** The minutes shall also contain

- (a) The names of the Directors present at the meeting and
- (b) In the case of each resolution passed at the meeting the names of Directors, if any dissenting from, or not concurring in the resolution.

**(7)** Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting -

- (a) is or could reasonably be regarded as defamatory of any person.
- (b) Is irrelevant or immaterial to the proceedings, or
- (c) Is detrimental to the interests of the Company.

The Chairman shall be sole judge in case of difference in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause, without prejudice to the recourse available under the law.

**(8)** Minutes of meetings kept in accordance with the aforesaid provisions shall

be evidence of the proceedings recorded therein.

Powers of  
Directors

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

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;
- (b) remit, or give time for the repayment of, any debt due by a Director;
- (c) invest otherwise than in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;

Provided further that the Board shall not except with the consent of the Company in general meeting ,contribute to *bonafide* charitable and other funds any amounts the aggregate of which will, in any financial year, exceed five per cent of its average net profits for the three immediately preceding financial years .

Certain powers of  
the Board

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

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) Subject to Section 179 and 184 of the Act, to purchase or otherwise acquire for the Company any property, right or privileges which the



Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

- (3) At their discretion and subject to the provisions of the act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (4) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (5) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (6) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be required in relation to any trust, and provide for remuneration of such trustee or trustees.
- (7) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow the time, for payment or satisfaction of any debts, due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon.
- (8) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (9) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (10) Subject to the provisions of Section 179, 185, and 186 of the Act to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit,

and from time to time vary or realise such investments, save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

- (11)** To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (12)** To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give, the necessary authority for such purposes.
- (13)** To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company, a commission on the profits of any particular business or transactions; and to charge such bonus or commission as part of the working expenses of the Company.
- (14)** To provide for the welfare of Directors or ex-Directors or employees and ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of the houses, dwelling or chawls, or by grants of money pension, gratuities, allowances, bonus or other payments, or by creating, and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.
- (15)** Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stocks, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interest of the Company and

subject to provisions of the Act, to invest the several sums so set aside or so much thereof as require to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with or vary such investments and dispose of, apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company, Notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and with power to employ the assets constituting all or any of the above funds including the Depreciation Fund in the business of the Company or in the purchase or repayment of Debentures, debenture-stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine per cent per annum.

- (16)** To appoint and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments or remuneration and to require security in such instances and to such amount as they may think fit. And also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following general powers conferred by this sub-clause.
- (17)** To comply with the requirements of any local law which in their opinion shall in the interests of the Company be necessary or expedient to comply with.
- (18)** From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, and to fix their remuneration.
- (19)** Subject to Section 179 of the Act, from time to time, and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the board, other than their power to make calls or to make loans or borrow moneys, and to authorise the Members for the time being of any such appointment or delegation may

be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed and may annual or vary any such delegation.

- (20)** At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members of any local board established as abovesaid or in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- (21)** Subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- (22)** From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.

### **MANAGEMENT**

Prohibition of simultaneous appointment of different categories of managerial personnel

**157.** The Company shall not appoint or employ at same time more than one of the following categories of managerial personnel namely;

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

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

Secretary

**158.** Subject to Section 203(1) of the Act, the Directors may from time to time appoint, and at their discretion, remove any individual (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary and to execute any other purely ministerial or administrative duties, which may from time to time be assigned to the Secretary by the

Directors. The Directors may also at any time appoint some person (who need not be a Secretary) to keep the registers required to be kept by the Company.

### THE SEAL

The Seal, its custody and use **159.(a)** The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

Deeds how executed **160.** Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by a Director and by Secretary or some other person appointed by the Board for the purpose; Provided that in respect of Share Certificates the Seal shall be affixed in accordance with Article 19(a).

### DIVIDENDS

Division of profits **161.** The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and subject to the act , may be paid out to the members in proportion to the amount of share capital paid-up or credited as paid-up on the shares held by them respectively.

The Company in General Meeting may declare a dividend **162.** The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Dividends only to be paid out of profits **163.** No dividend shall be declared or paid for any financial year otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for previous financial year or Years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both;

Interim Dividend **164.** The Board may, from time to time, pay to the Members, such interim dividend as in their judgement the position of the Company justifies.

Capital paid up in advance at interest, not to earn dividend **165.** Where capital is paid in advance of calls, such share capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

Dividends in proportion to amount paid-up **166.** All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share

shall rank for dividend accordingly.

Retention of dividends until completion of transfer under Article 58

**167.** The Board may retain the dividend payable upon shares in respect of which any person is, under Article 60 entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.

Dividend etc to joint-holders

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

No member to receive dividend whilst indebted to the Company and Company's right to reimbursement thereof

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

Transfer of Share must be registered

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

Dividend how remitted

**171.** Unless otherwise directed, any dividend may be paid by cheque or warrant or electronic mode or by a payslip or receipt having the force of a cheque or warrant or bank order sent through post to the registered address, of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or warrant or bank order or electronic transfer shall be made payable to the order of the person to whom it is sent or electronically transmitted. The Company shall not be liable for non receipt, lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or the fraudulent recovery of the dividend by any other means.

No interest on dividends

**172.** Subject to Section 124 of the Act, No unpaid dividend shall bear interest as against the Company.

No forfeiture of unclaimed dividends

**172a.** There shall be no forfeiture of unclaimed dividends unless the claim becomes barred by law and unless such forfeiture is permitted by law.

Powers to make call in General Meeting while Declaring dividend

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

and the dividend may, if so arranged between the Company and the member be set off against the calls.

#### Capitalisation

**174.(a)** The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Share Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions and on the footing that they become entitled thereto as capital and on that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of the Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.

**(b)** General Meeting may resolve that any surplus moneys, arising from the realisation of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital.

**(c)** For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

### ACCOUNTS

#### Directors to keep

**175.**The Company shall keep at the office or at such other place in India as the

- true accounts Board thinks fit, proper Books of Account in accordance with Section 128 of the Act including with respect to -
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
  - (b) all sales and purchases of goods by the Company; and
  - (c) the assets and liabilities of the Company

Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving full address of that other place.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, updated at intervals of not more than three months, are sent by the branch office to the Company at its registered office or other place in India at which the Company's Books of Account are kept as aforesaid.

The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions. The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

- As to inspection of accounts or books by Members **176.** The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting of any account or books or document of the Company except as conferred by law or authorised by the Board.

- Statement of Accounts to be furnished to General Meeting **177.** The Directors shall from time to time, in accordance with Section 129(2) and other applicable provisions of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by the Act.

- Copies shall be sent to each Member **178.** Subject to Section 136 of the Act, A copy of every such Profit and Loss Account and Balance Sheet and reports referred to in the preceding article(including the Auditor's Report and every other document required by law to be annexed or attached to the Balance sheet), shall at least twenty one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company; the trustees for debenture-holders of



debentures and to all persons entitled to received notice of General Meeting of the Company.

### AUDIT

Accounts to be audited	<b>179.</b> Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 147 of the Act and the rules made thereunder.
First Auditor or Auditors	<b>180.</b> The First Auditor or Auditors of the Company shall be appointed by the Board within 30 days of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the Meeting provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors.

### DOCUMENTS AND NOTICE

Service of documents or notices on members by Company	<b>181. (1)</b> Subject to Section 20 of the Act, a document or notice may be served or given by the Company on any member either personally or by sending it by post, registered post or courier or electronic or any other mode permitted by the law, to him to his registered address or (if he has no registered address in India) to the address, if any, supplied by him to the Company for serving documents or notice on him.
Document or notice by post	<b>(2)</b> Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him by registered post with or without acknowledge due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time, at which the letter would be delivered in the ordinary course of post.
By advertisement	<b>182.</b> A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who have no registered address and has not supplied to the Company an address for the serving of documents on or the sending of notices to him.
On joint-holders	<b>183.</b> A document or notice may be served or given by the Company on or to

the joint-holder named first in the Register of Members in respect of the share, and such notice shall be deemed to be notice to each of such joint-holders.

On personal representatives etc.

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

To whom documents or notices must be served or given

**185.** Documents or notices of every General Meeting shall be served or given in same manner herein-before authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, (c) the Auditor or Auditors for the time being of the Company and (d) every director of the Company .

Members bound by documents or notices served on or given to previous holders

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

Document of notice by company and signature thereto

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

Service of document or notice by Member

**188.** All documents or notices to be served or given by members on or to the Company or any officer thereof shall be served or given by sending it to the Company or officer by registered post or speed post or courier service or by leaving it at registered office of the Company or electronically or by such other mode as may be prescribed.

### WINDING UP

Liquidator may divide assets in specie

**189.**The liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a special resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction shall think fit.

### INDEMNITY AND RESPONSIBILITY

Directors and other's right of indemnity

**190.**Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by

him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief, is granted to him by the Court.

Directors,  
Managers etc.  
not liable for  
acts of others

Subject to provisions of the Act no Director, Manager or other Officer of the Company shall be liable for the act, receipts, neglects of any other Director or Officer or for joining in any receipts or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors, for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortious act of any person with whom any moneys, securities, or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damages or misfortunes whatever which shall happen in the execution of the duties of this officer or in relation thereto unless the same happens through his own dishonesty.

#### **SECURITY CLAUSE**

**191.(a)** Every Director, Manager, Auditor, Treasurer, Trustee, member of Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties , sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

**(b)** No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

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

Name, Address, Description and Occupation of each subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Address, Description and Occupation of Witness
M/s. Jindal Strips Ltd. Delhi Road, Hissar - 125 005 Haryana	100 (One Hundred)	Sd/-	<p style="text-align: center;">Witness to all Sd/- C. AYYASWAMY Chartered Accountant 405, Shiv Centre, Sector-17, Vashi, New Bombay - 400 705</p>
M/s. Jindal Iron and Steel Company Ltd. Jindal Mansion, 5A, G. Deshmukh Marg, Bombay - 400 026	100 (One Hundred)	Sd/-	
Shri Sajjan Jindal S/o Omprakash Jindal Jindal House 32, Walkeshwar Road Bombay - 400 006 Industrialist	100 (One Hundred)	Sd/-	
Shri Prithvi Raj Jindal S/o Omprakash Jindal 42/45, Punjabi Baug, New Delhi Industrialist	100 (One Hundred)	Sd/-	
Shri Ratan Jindal S/o Omprakash Jindal Jindal House, 6, Prithvi Raj Road, New Delhi - 110 011 Industrialist	100 (One Hundred)	Sd/-	
Shri Girish Ghate S/o Prabhakar Ghate 403/7A, Patel Apartment, Near Campa Cola, Worli, Bombay - 400 018. Service	100 (One Hundred)	Sd/-	

Name, Address, Description and Occupation of each subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Address, Description and Occupation of Witness
<p>M/s. Tractebel S.A., 1 Place Du Trone B-1000 Brussels Belgium</p> <p>Total</p>	<p>600 (Six Hundred)</p> <p>1200 (One thousand two hundred Equity Shares)</p>	<p>Sd/-</p>	<p>Witness to all Sd/- C. AYYASWAMY Chartered Accountant 405, Shiv Centre, Sector-17, Vashi, New Bomaby - 400 705</p>

Dated this 10<sup>th</sup> Day of March, 1994