

**The Companies Act, 2013**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**LAXMI INDIA FINANCE LIMITED**

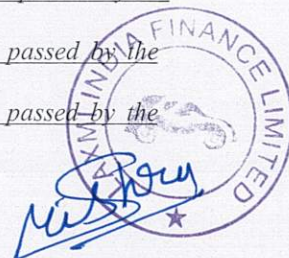
- I. <sup>#</sup>The name of the Company is: LAXMI INDIA FINANCE LIMITED.
- II. <sup>i</sup>The Registered office of the Company will be situated in the STATE OF RAJASTHAN.
- III. The objects to be pursued by the company on its incorporation are:
- A. THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:
1. To carry on finance and investment business and to purchase, acquire, hold, and dispose off or otherwise deal in shares, debentures, stocks, bonds, obligations and securities issued or guaranteed by any Company constituted or carrying on business in India or elsewhere and debentures, stocks, bonds, obligations and securities issued by any authority whatsoever, and to act as share brokers, sub brokers, factors or otherwise.
  2. To act as investors, guarantors, underwriters and financiers with the object of financing Industrial/ Commercial enterprises, to lend or deal with the money either with or without interest or securities including in current or deposit account with any bank or banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on agents, or loan upon such terms and conditions as the Company may approve, provided the Company shall not do any banking business as defined in the Banking Regulations Act, 1949.
  3. Subject to the approval of SEBI and other Authorities where required to render financial services and to act as merchant bankers, financial advisor, management consultants, advisors, managers, underwriters, to the issue of shares, debentures, securities to act as registrars, and shares transfer deposit to provide services like portfolio management and equity research analysis's. But the Company shall not carry on banking business under the Banking Regulations Act, 1949.
  4. To carry on and undertake the business of finance and leasing and to finance the operations of all kinds and to finance on purchasing, sale of all kinds of plant and machinery and equipment that the Company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transaction and to subsidise finance or assist in subsidizing or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to finance, of all forms of immovable and movable property including land and building, plant and machinery, equipment, ships, aircrafts, automobile, computers and all consumers, commercial and industrial items and to lease and finance with them in any manner regardless of whether property purchased and leased by new and/or used.

<sup>i 1</sup> Clause II of Memorandum of Association have been altered vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 21.02.2011.

<sup>2</sup> Clause II of Memorandum of Association have been altered vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 24.09.2020.

# Clause I of Memorandum of Association has been altered vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 25.01.2023.

# Clause I of Memorandum of Association has been altered vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 09.08.2024.





**B. ! Matters which are necessary for furtherance of the objects specified in clause 3(A):**

1. In case of conversion of the Company into a public company and subject to the provisions of the Companies Act, 2013 and any other applicable laws, upon any issue of shares or such other securities of the company, to employ commission agents and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares, or such other securities of the company or by the granting of options to take the same or in any other manner as may be allowed under the Companies Act, 2013.
2. To negotiate and/or enter into agreements and contracts with individuals, companies, corporations and such other organizations, foreign or Indian, for obtaining or providing technical, financial or any other assistance for carrying out all or any of the main objects of the Company and also for the purpose of activating, financial participation and for technical collaboration and to acquire or provide necessary formulae and patent rights for furthering the main objects of the Company.
3. To adopt stock or shares or debentures or other securities of any or all types, of any other company having main objects similar wholly or in part with those of this company, in payment for any services rendered or for any statements to or debt owing from such company in connection with the main business of the Company.
4. To apply for purchase or otherwise acquire any patents, brevets, inventions, licences, and concessions conferring any exclusive or non- exclusive or limited rights to use any such other information as to any invention which may seem capable of being used for the main objects of the Company or the acquisition of which may seem directly or indirectly to benefit the Company and to use, exercise, develop, or grant licences, the property rights or Information so acquired to attain the main objects of the Company.
5. To acquire, buy and purchase all stocks in trade, trademarks and such other movable and immovable properties of all description, to achieve the main objects of the Company.
6. To acquire by concession, grant, purchase, rent lease, licence or otherwise, lands, buildings and/or machinery, farms, water rights and such other works, privileges, rights related thereto in connection with the main business of the Company.
7. To erect upon the lands belonging to the Company and upon any other such lands or property which may be taken on lease or license by the company, building, houses and erections as may be required for carrying on the main objects of the Company and in particular, equip the said buildings with machinery for the purpose of its main business.
8. To improve, manage, develop, exchange, lease. Mortgage, enfranchise, or dispose of the property and rights of the Company.
9. To pay for any lands, immovable or movable property or properties or assets of any kind acquired by the Company or for any services rendered or to be rendered to the Company and to pay or discharge any consideration to be paid or given by the Company in cash or in shares, whether fully paid-up debentures or debentures stock or obligations of the Company, partly in one way and partly paid-up for such purpose in connection with the main business of the Company.
10. To enter into any contract, agreements with any Government or Governments Authority, municipal, Revenue, Local or otherwise which may seem conducive to the main objects of the Company and obtain from any such Government or Authority any rights, privileges and concessions which may appear desirable to obtain and to carry out exercise and comply with any arrangements or legal requirement which may be necessary to secure such rights, privileges and concessions.

11.To purchase take on lease or otherwise acquire in the Union of India or elsewhere any property, estates, plantations and any other lands of five- hold leasehold or any other tenure for the main business of the Company.

12.Subject to Section 230 to 232 of the Companies Act, 2013 to enter into partnership or any agreement for sharing profits, union of interests, reciprocal concession, amalgamation or co-operation with any person or persons, corporation or company, carrying on or about to carry on, or engage in any business or transaction which this Company is authorised to carry on or to engage in any business or transaction capable of being conducted so as to benefit this Company, directly or indirectly, and to take or otherwise acquire and hold stock, or securities and to subsidise or otherwise assist any such company and to reissue with or without guarantee with such shares or securities, and to form, constitute or promote any other company or companies for the purposes of acquiring all or any of the property, rights and liabilities of this company or for any other purpose which may seem directly or indirectly to attain the main objects of the Company.

13.To invest, other than investment in Company's own shares, the monies of the Company not immediately required, in any scheduled banks or in trust, securities or deposit on interest with anybody corporate/ Individual/ firm or in such other manner as is beneficial to the Company, subject to sec. 67 of the Companies Act, 2013.

14.To open any kind of account in any book and to make, draw, accept, endorse or negotiate promissory notes, bills of exchange or such other negotiable instruments of all types and drafts, charter bills of lading and warrants of all kinds.

15.To dispose off, transfer, exchange and mortgage the business undertaking, properties or rights of the company or any part thereof for any consideration which the Company may accept.

16.To aid pecuniarily or otherwise any association, body or movement having the object of the solution, settlement or surmounting of Industrial or labour problems or troubles for the promotion of Industry and trade.

17.To make pecuniary grants by way of donations, subscriptions, allowances, gratuity, guarantee or otherwise for the benefit of persons who are or have been employed by the Company, or for the benefit of widows, orphans and dependents of any such persons.

18.Subject to Section 179, 180, 181, 182 and 183 of the Companies Act, 2013, to subscribe, contribute or guarantee money for any national, charitable, benevolent, public, general or useful cause or for the funds of any fair or exhibition.

19.To undertake and execute any trusts the undertaking whereof may seem desirable either gratuitously or otherwise in connection with the main business of the Company.

20.To establish and support or aid in the establishment and support or associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business or the dependents or relations of such persons and to grant pensions and allowances and to make payments towards insurances.

21.To take up the management of any Company situated in the Union of India engaged in similar business, subject to the provisions of the Companies Act, 2013.

22.To procure the Company to be registered, legalized, domiciled or recognized, in any country or place and to procure its incorporation in a like character as a society or otherwise in any Country or place and to carry on all or any portion of its main business or objects in any country or place.





23. To pay all or any costs, charges or expenses, whether, preliminary, incidental or relating to the promotion, formation, registration or establishment of this or any other company or to the raising subscription, issue, settlement or quotation in any stock exchange of any portion of the original or future share, loan or other capital of this or any other company and to remunerate by commission, discount or otherwise any person or company for services rendered in placing or assisting to place any of such shares or debentures or securities or obtaining or assisting or to obtain settlement or quotation of the same in any stock exchange or for any services, preliminary, incidental or relating to or in connection with the promotion, formation, registration or establishment of this or any other company and to charge any provisions of section 188 of the Companies Act, 2013.

24. To advance, invest Company's money with such persons or companies and in or upon such investments or securities in such manner as may be deemed expedient to carry on the main objects of the Company.

25. To vest any movable or immovable property, rights or interests acquired by or received or belonging to the Company in any person or persons or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.

26. To import, buy, exchange, alter, improve and manipulate all kinds of plant, machinery, apparatus, tools, utensils, substances, materials and things necessary or convenient for carrying on the main objects of the Company.

27. To purchase or otherwise acquire, build, carryout, equip, maintain, alter, improve, develop, manage, work, control and superintend any warehouses, sheds, dwelling, units, offices, shops, stores, buildings, machinery, apparatus and houses, which may seem directly or indirectly to advance the interest of the Company and to join with any such other person or company in doing any of these operations.

28. To distribute as dividend or bonus among the members or to place reserve or otherwise to apply, as the Company may, from, time to time, determine, any money received by way of premium on shares or debentures issued by the Company and any moneys received in respect of forfeited shares and moneys arising from the sale by the Company of forfeited shares subject to the provisions of the Companies Act, 2013.

29. To employment or experts to investigate and examine into the condition, prospects, value, character and circumstances of any business concerns and undertaking of any assets properties or rights which the Company proposes to acquire.

30. To create any reserve fund, sinking fund, insurance fund or any other such special funds whether for depreciation, repairing, improving, research, extending or maintain any of the properties of the Company or for any other such purpose conducive to the main business of the Company.

31. To send out to foreign countries, its directions, employees or any other such person or persons for investigating possibilities of main business or for procuring and buying any machinery or establishing trade connections or for promoting the interests of the Company and to pay all expenses incurred in this connection.

32. To agree to refer to arbitration any dispute, present or future, between the Company and any other Company, firm, individual or any other body and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign system of law.

33. To appoint agents, sub-agents, dealers, managers, canvassers or representatives for transacting all kind of main business which this company is authorized to carry on and to constitute agencies of the Company in India or any other to establish offices and agencies in different parts of the world.



34.To do all or any of the objects in any part of the world as principles, agents, contractors, trustees or otherwise and either alone or in conjunction with others and either by or through agents to attain the main objects of the Company.

35.For the purpose of the Company, to accept deposits, subject to section 73, 74, 179, 180, 181, 185 of the Companies Act, 2013, and Rules made thereunder and directions of the Reserve Bank of India, to borrow, raise money or secure the payment of money as loan for any period of time any pay interest thereon and issue fixed deposits, receipts, promissory notes and other securities for the same and to advance, or allow loans or overdrafts thereon to the depositors and change interest thereon, subject to the provisions of the Banking Regulations Act, 1949.

36.To acquire and undertake, the whole or any part of the business, property, assets and liabilities of any person or company carrying existing concerns, partnership firms, society and association of person to carry on, for main business of the Company.

! Heading of Clause III(B) of Memorandum of Association have been altered and Clause III(C) of the Memorandum of Association have been Deleted, vide Special Resolution passed by the Members of the Company in their Annual General Meeting held on 19.09.2022.

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

^Heading of Clause IV of Memorandum of Association have been altered vide Special Resolution passed by the Members of the Company in their Annual General Meeting held on 19.09.2022.

V. "The Authorised Capital of the Company is ₹30,00,00,000/- (Rupees Thirty Crore Only) divided into 6,00,00,000 (Six Crore) Equity Shares of ₹ 5/- each with the right, privileges and conditions attached thereto as are provided by the regulation of the company for the time being, with the power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential or special rights or privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the company. The rights of the preference shall be determined at the time of issue thereof."

<sup>ii</sup> 1The authorized share capital of the Company have been changed from Rupees Ten Lakh to Rupees Thirty Lakh vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 31.12.1999.

2The authorized share capital of the Company have been changed from Rupees Thirty Lakh to Rupees Five Crore vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 30.03.2013.

3The authorized share capital of the Company have been changed from Rupees Five Crore to Rupees Ten Crore vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 04.01.2017.

4 The authorized share capital of the Company have been changed from Rupees Ten Crore to Rupees Fifteen Crore vide Special Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 07.05.2018.

5 The authorized share capital of the Company have been changed from Rupees Fifteen Crore to Rupees Twenty Crore vide Ordinary Resolution passed by the Members of the Company in their Annual General Meeting held on 29.12.2021.

6 The authorized share capital of the Company have been changed from Rupees Twenty Crore to Rupees Thirty Crore vide Ordinary Resolution passed by the Members of the Company in their Extra Ordinary General Meeting held on 15.02.2024.



7 The authorized share capital of Rs. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 3,00,00,000 (Three Crore) equity shares of Rs. 10 (Rupees Ten only) each was subdivided to Rs. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 6,00,00,000 (Six Crore) equity shares of Rs. 5 (Rupees Five only) each vide ordinary resolution passed by the members of the company in their Extra Ordinary General Meeting held on November 16, 2024..

For LAXMI INDIA FINANCE LIMITED



Authorised Signatory



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

S. No.	Names, Address, descriptions and Occupation of the subscribers	Number of Equity Shares taken by each Subscriber	Signature of Subscribers	Names, address, descriptions and Occupation of the witnesses
1.	Sd/- Gupteshwar Singh S/o. Munshi Singh AF-14, Shiva Enclave Paschim Vihar, New Delhi (Business)	100	Sd/-	I Witness the signature of all the subscribers Sd/- (B.S. GAUR) S/o Late Sh. S.S. Shastri AM-148, Shalimar Bagh, Delhi-110082 Chartered Accountant
2.	Sd/- Vinay Kumar Singh S/o Guptaeshwar Singh AF-14, Shiva Enclave Paschim Vihar, New Delhi (Business)	100	Sd/-	
3.	Sd/- Lalita Devi W/o Guptaeshwar Singh AF-14, Shiva Enclave Paschim Vihar, New Delhi (Housewife)	100	Sd/-	
	Total	300		

Dated this 15<sup>th</sup> day of April 1996  
Place: New Delhi





**THE COMPANIES ACT, 2013**  
**(COMPANY LIMITED BY SHARES)**  
**(INCORPORATED UNDER THE COMPANIES ACT, 1956)**  
**ARTICLES OF ASSOCIATION<sup>1</sup>**  
**OF**  
**LAXMI INDIA FINANCE LIMITED<sup>2</sup>**

**PRELIMINARY**

*The present Articles have been drawn based on Table 'F' of Schedule I to the Companies Act, 2013 read with provisions of Section 5 of the Companies Act, 2013 and shall regulate the management of the Company. If any regulation of these Articles is in contradiction with the regulation of Table F or the provisions of the Companies Act, 2013, then in that case the regulation of Table F or the provisions of the Companies Act, 2013 shall prevail.*

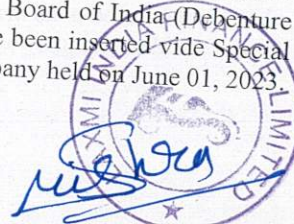
**DEFINITION AND INTERPRETATION**

1. In these Articles unless there be something in the subject matter or context inconsistent therewith:
- i. **"Act"** means the Companies Act, 2013 and includes any statutory modification(s) or re-enactment thereof for the time being in force and/or as may be re-enacted from time to time.
  - ii. **"Articles"** means Articles of Association of the Company as originally framed or altered from time to time
  - iii. **"Beneficial Owner"** shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.
  - iv. **"Board" or "Board of Director"** means the Board of Directors of the Company.
  - v. **"Chairman"** means the Chairman of the Board of the Directors of the Company.
  - vi. **"The Company"** means Laxmi India Finance Limited.
  - vii. **"Depositories Act, 1996"** shall mean Depositories Act, 1996 and include any statutory modification or re-enactment thereof for the time being in force.
  - viii. **"Depository"** shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.
  - ix. **"Directors"** mean the Directors for the time being of the Company.
  - x. **"Dividend"** includes any interim dividend.
  - xi. **"Document"** means a document as defined in Section 2 (36) of the Companies Act, 2013.
  - xii. **"Equity Share Capital"**, with reference to any Company limited by shares, means all share capital which is not preference share capital;
  - xiii. **"KMP"** means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.
  - xiv. **"Managing Director"** means a Director who by virtue or an agreement with the Company or

<sup>1</sup> Restated Articles of Association have been adopted vide Special Resolution passed by the Members of the Company at the Extra Ordinary General Meeting held on 9<sup>th</sup> August, 2024.

<sup>2</sup> The name of the Company changed from "Laxmi India Finance Private Limited" to "Laxmi India Finance Limited" by removing the word "PRIVATE" before the word "LIMITED" in its name due to conversion of the Company from Private Limited to Public Limited by way of passing Special resolution by the Members of the Company at the Extra Ordinary General Meeting held on 9<sup>th</sup> August, 2024.

<sup>3</sup> The Board of Directors shall be required to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors. This clause have been inserted vide Special Resolution passed at Extra Ordinary General meeting of the shareholders of the company held on June 01, 2023.





increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.

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

#### **Issue of Sweat Equity Shares**

4. Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.

#### **Issue of Debentures**

5. The Company shall have powers to issue any debentures; debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

#### **Issue of Share Certificates**

6.

i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months from date of incorporation, in case of subscribers to the memorandum or within a period of two months from the date of allotment or within a period of one month from date of receipt by the company instrument of transfer under section 56(1) or intimation of transmission under section 56(2), in case of transfer or transmission of securities.

a) One certificate for all his shares without payment of any charges; or

b) Several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.

ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;

iii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

7. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem



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

(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.

(c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.

(ii) The notice referred in clause (a) above shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.

(iii) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company.

Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.

### **Lien**

#### **15.**

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

Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

**16.** The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

a. unless a sum in respect of which the lien exists is presently payable; or

b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

#### **17.**

i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

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

iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.



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

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

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

23.

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

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

24.

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

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

25. The Board-

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

ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

26. Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.

Provided however that any amount paid to the extent called - up, shall be entitled to proportionate dividend and voting right

27. The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.

28. The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.

### **Transfer of shares**

29.

i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

30. The Board may, subject to the right of appeal conferred by section 58 decline to register-



behalf of the beneficial owner.

e. Save as otherwise provided in (d) 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.

f. 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.

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

iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

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

v. 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.

vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.

vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

### **Transmission of Shares**

#### **36.**

i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other person.

#### **37.**

i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

- a. to be registered himself as holder of the share; or
- b. to make such transfer of the share as the deceased or insolvent member could have made.

ii. The Board shall, in either case, have the same right to decline or suspend registration as it would had, if the deceased or insolvent member had transferred the share before his death or insolvency.



ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

46.

i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;

iii. The transferee shall thereupon be registered as the holder of the share; and

iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

47. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

48. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers herein above given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

49. Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, 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 be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

50. The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

51. The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

52. The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### **Initial payment not to preclude forfeiture**

53. Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor 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 proceeding to enforce forfeiture of such shares as hereinafter provided.



ii. The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.

iii. Not more than one person shall be recognized as depositor of the share warrant.

iv. The Company shall, on two days written notice, return the deposited share warrants to the depositor.

v. Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

vi. The bearer of 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 holders of shares included in the warrant, and he shall be a member of the Company.

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

#### **Capitalisation of profits**

**59.**

i. The Company in general meeting may, upon the recommendation of the Board, resolve.

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

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

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

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

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

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

d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

e. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

**60. i.** Whenever such a resolution as aforesaid shall have been passed, the Board shall-

a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any; and

b. generally to do all acts and things required to give effect thereto.

ii. The Board shall have power-

a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for that case of shares becoming distributable in fractions; and



69. A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the meeting of the Company, shall be conclusive evidence of the fact of passing of such resolution or otherwise, without proof of the number or proportion of the votes cast in favour of or against such resolution.

#### **Demand for poll**

70.

i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.

ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

#### **Time of taking poll**

71.

i. A poll demanded for adjournment of meeting or appointment of Chairman shall be taken forthwith.

ii. A poll demanded on any other question other than adjournment of the meeting or appointment of Chairman shall be taken at such time not being later than 48 (forty-eight) hours from the time when the demand was made, as the Chairman of the meeting may direct.

iii. Before or on the declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion, and shall be ordered to be taken by him on a demand made in that behalf,— (a) in the case a company having a share capital, by the members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid-up; and (b) in the case of any other company, by any member or members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power.

iv. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of persons, as he deems necessary, to scrutinise the poll process and votes given on the poll and to report thereon to him in the manner as may be prescribed.

v. Subject to the provisions of this section, the Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken.

vi. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

#### **Adjournment of meeting**

72.

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

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

iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be



## **Representation of Body Corporate**

**82.**

i. A body corporate, whether a Company within the meaning of the Act or not, may-

a) if it is a member of a company within the meaning of this Act, by resolution of its Board of Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the company, or at any meeting of any class of members of the company;

(b) if it is a creditor, including a holder of debentures, of a company within the meaning of this Act, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.

ii. A person authorised by resolution under clause i mentioned above shall be entitled to exercise the same rights and powers, including the right to vote by proxy and by postal ballot, on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the company.

## **Circulation of member's resolution**

**83.** The Company shall comply with the provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.

## **Resolution requiring special notice**

**84.** The Company shall comply with the provisions of Section 115 of the Act relating to resolutions requiring special notice.

## **Resolutions passed at adjourned meeting**

**85.** The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company or the Board of Directors of the Company and the resolutions shall for all purposes as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

## **Registration of resolutions and agreements**

**86.** The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.

## **Minutes of proceedings of general meeting and of Board and other meetings**

**87.**

i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.

ii. 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 books shall be dated and signed:

A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman



94. Appointment of Senior Executive as a Whole Time Director subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:

He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.

Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.

95.

i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them-

a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

b. in connection with the business of the company.

96. The Board may pay all expenses incurred in getting up and registering the company.

97. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

98. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

99. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

100.

i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

#### **Retirement and Rotation of Directors**



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

Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.

<sup>3</sup>The Board of Directors shall be required to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors.

**111.** Provided also that in the event of the Nominee Directors being appointed as whole time directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.

#### **Removal of Directors**

**112.** A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing mentioned in clause 116 shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two-thirds of the total number of directors according to the principle of proportional representation.

**113.** A special notice shall be required of any resolution, to remove a director, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.

**114.** On receipt of notice of a resolution to remove a director, the company shall forthwith send a copy thereof to the director concerned, and the director, whether or not he is a member of the company, shall be entitled to be heard on the resolution at the meeting.

**115.** Where notice has been given of a resolution to remove a director and the director concerned makes with respect thereto representation in writing to the company and requests its notification to members of the company, the company shall, if the time permits it to do so,—

- (a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and
- (b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company), and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting.

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred are being abused to secure needless



- d. The power to borrow moneys
- e. The power to invest the funds of the Company,
- f. Power to Grant loans or give guarantee or provide security in respect of loans
- g. Power to approve financial statements and the Board's Report
- h. Power to diversify the business of the Company
- i. Power to approve amalgamation, merger or reconstruction
- j. Power to take over a Company or acquire a controlling or substantial stake in another Company
- k. Powers to make political contributions;
- l. Powers to appoint or remove key managerial personnel (KMP);
- m. Powers to appoint internal auditors and secretarial auditor;

Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.

ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.

iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.

iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.

v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.

### **Restriction on powers of Board**

#### **123.**

i. The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely: —

- 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) invest, otherwise in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
- c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business; or
- d) to remit, or give time for the repayment of, any debt due from a director.

ii. Nothing contained in sub-clause (a) above shall affect:

- a) the title of a buyer or other person who buys or takes on lease any property, investment or undertaking as is referred to in that clause, in good faith; or
- b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.



- iv.** 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, debenture stock 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, debenture stock 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;
- v.** To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;
- vi.** To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
- vii.** To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
- viii.** Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;
- ix.** To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;
- x.** To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;
- xi.** To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;
- xii.** To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;
- xiii.** To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;
- xiv.** Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.
- xv.** Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, officer, or other person employed by the Company, an interest in any particular business or



## **MANAGING DIRECTORS**

### **Power to appoint Managing or Whole-time Directors**

**127.**

- i) Company shall not appoint or employ at the same time a managing director and a manager.
- ii) Company shall not appoint or re-appoint any person as its managing director, whole-time director or manager for a term exceeding five years at a time.
- iii) Company shall not appoint or continue the employment of any person as managing director, whole-time director or manager who —
  - (a) is below the age of twenty-one years or has attained the age of seventy years:  
Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;
  - (b) is an undischarged insolvent or has at any time been adjudged as an insolvent;
  - (c) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
  - (d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months
- iv) Subject to the provisions of section 197 and Schedule V, a managing director, whole-time director or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule.
- v) Subject to the provisions of the Act, where an appointment of a managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.

## **Proceedings of the Board**

**128.**

- a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**129.** The quorum for meetings of the Board/Committees shall be as provided in the Act or under the rules.

**130. a)** Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

**b)** In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

**131.** 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.

**132.** The participation of directors in a meeting of the Board/Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the



### **Dividends and Reserve**

**141.** The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**142.** Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

**143.**

a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

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

**144.**

a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

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

**145.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

**146.**

a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**147.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

**148.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**149.** No dividend shall bear interest against the Company.

**150.** Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid



- for inspection during business hours-
- a. by any member or creditor without any payment of fees; or
  - b. by any other person on payment of such fees as may be prescribed in the Act.

### **Audit**

156. a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and in the case of failure of the Board to appoint such auditor, it shall inform the members of the company, who shall within ninety days at an extraordinary general meeting appoint such auditor and the Auditors so appointed shall hold office till the conclusion of the first Annual General Meeting.
- b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.
- c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
- d) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and the auditor appointed shall hold the office till the conclusion of the next annual general meeting.

### **Winding up**

157. Subject to the provisions of Chapter XX of the Act and rules made there under-

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

### **Indemnity**

158. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

### **Secrecy**

159.

(a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.



S. No.	Names, Address, Occupation and descriptions of the subscribers	Signature of Subscribers	Names, address, descriptions and occupations of witness
1.	Sd/- Gupteshwar Singh S/o Munshi Singh AF-14, Shiva Enclave, Paschim Vihar, New Delhi (Business)	Sd/-	<p>I Witness the signature of all the subscribers</p> <p>Sd/- (B.S. GAUR) S/o Late Sh. S.S. Shastri AM-148, Shalimar Bagh, Delhi-110082 <i>Chartered Accountant</i></p>
2.	Sd/- Vinay Kumar Singh S/o Gupteshwar Singh AF-14, Shiva Enclave, Paschim Vihar, New Delhi (Business)	Sd/-	
3.	Sd/- Lalita Devi W/o Gupteshwar Singh AF-14, Shiva Enclave, Paschim Vihar, New Delhi (Housewife)	Sd/-	

