

ARTICLES OF ASSOCIATION
OF
INDIA CEMENTS CAPITAL LIMITED
(INCORPORATED UNDER THE COMPANIES ACT 1956)

CONSTITUTION OF THE COMPANY

- 1 Constitution** The regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company, except in so far as they are inconsistent with the following Articles, which shall be the regulations for the management of the Company.

INTERPRETATION

- 2 Interpretation** The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings, unless excluded by the subject or context:-
- (a) 'Act' or 'the Act' means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and shall be deemed to include Rules, Regulations, Notification, Guidelines, Circulars, clarifications made, issued thereunder / given from time to time.
 - (b) 'Beneficial Owner' means a person or persons, as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
 - (c) 'Board of Directors' or 'The Board' or 'The Board of Directors' or 'the Directors' means the collective body of the Directors, for the time being.
 - (d) 'Company' or 'the Company' when used with reference to this Company shall mean **India Cements Capital Limited**.
 - (e) 'Depositories Act, 1996' shall include any statutory modification or re-enactment thereof for the time being in force.
 - (f) 'Depository' means a depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.

- (g) 'Dividend' includes any interim dividend.
- (h) 'Equity Share Capital' shall mean all share capital other than the preference share capital.
- (i) 'Financial year' in relation to the Company means, the period commencing on the 1st day of April of a calendar year and ending on the 31st day of March of the next calendar year, in respect whereof financial statement of the Company is made up.
- (j) 'In writing' includes, printing, lithography, typewriting, computer printing and any other usual substitutes for writing, email and any other form of electronic communication / transmission.
- (k) 'Key Managerial Personnel' means such key managerial personnel as defined in the Act.
- (l) 'Member' shall mean Member(s) of the Company holding a share or shares of any class in the share capital of the Company, whose name is entered in the Register of Members of the Company and includes person(s) whose name(s) is/are entered as beneficial owner in the records of the Depository, as defined in Section 2(55) of the Companies Act, 2013.
- (m) 'Month' shall mean a calendar month.
- (n) 'Office' or 'Registered Office' means the Registered Office for the time being of the Company.
- (o) 'Paid-up Share Capital' shall include 'capital credited as paid up'.
- (p) 'Person' shall include any company or association or body of individuals, whether incorporated or not; and shall include limited liability partnerships.
- (q) 'Register' means the Register of Members of Equity or Preference Shares, Register of Debenture holders and other Security holders and also the Register and index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996.
- (r) 'Rules' or 'the Rules' means the applicable rules, as amended from time to time, for the time being in force, prescribed under the relevant Sections of the Act.
- (s) 'Seal' or 'the Seal' shall mean the Common Seal of the Company approved by the Board of Directors from time to time.
- (t) 'SEBI Regulations' shall mean the regulations issued by SEBI from time to time.

- (u) 'Secretarial Auditor' means a Company Secretary in Practice appointed in pursuance of the Act to conduct the Secretarial Audit of the Company.
- (v) 'Section' means a section of the Act.
- (w) 'Securities and Exchange Board of India' or SEBI means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992.
- (x) 'Security' or 'Securities' means such securities as defined in the Act.
- (y) 'These presents' or 'Articles' or 'regulations' means these Articles of Association as they stand or are altered from time to time and includes the Memorandum of Association where the context so requires.
- (z) 'Video conferencing or other audio-visual' means audio-visual electronic communication facility employed which enables all the persons participating in a Meeting to communicate concurrently with each other without an intermediary and to participate effectively in the Meeting.
- (aa) Words importing the singular shall include the plural and words importing the plural shall include the singular.
- (bb) Words importing the masculine gender shall include the feminine gender and vice versa.
- (cc) Unless the context otherwise requires, the words or expressions defined or contained in these Articles, shall bear the same meaning as defined in the Act and SEBI Regulations in force at the date at which these articles become binding on the Company.

CAPITAL

- 3 Capital and Division thereof** The Share Capital of the Company is as detailed in the capital clause of the Memorandum of Association of the Company.

- 4 Shares under the control of the Board** Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportions and on such terms and conditions and either at a premium or at par for cash or otherwise and at such times as the Board may from time to time think fit and proper.

- 5 Dematerialisation / Rematerialisation of shares**
- (a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize / rematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and any rules framed thereunder.
- (b) Every person subscribing to securities offered by the Company shall 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, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of Securities.
- 6 Splitting and consolidation of share certificates**
- The Company may, at the request of the Shareholder, issue two or more new Share Certificates in lieu of an existing Share Certificate comprising the same shares bearing same distinctive numbers and consolidate the shares comprised in two or more share certificates into one share certificate upon production and surrender of the existing share certificates.
- 7 Issue of New Certificate in place of one lost or destroyed etc.**
- (a) If a share certificate be mutilated, torn, defaced, lost or destroyed, a fresh one may be issued in its stead on payment of such fee, if any, as may be determined by the Board and on such terms as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence, as the Board may think fit. But no fee shall be charged for issue of certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized. All such certificates shall be marked 'Duplicate'.
- (b) The purchaser of any share sold by the Company in exercise of the powers on forfeiture of or lien on shares shall not be required to pay any fee for the fresh certificate that may have to be issued by the Company in default of the original holder of such share returning the certificate to the Company. The Board may make arrangements for distinguishing such new certificates from the one not so surrendered.
- (c) The provisions of Articles hereof shall *mutatis mutandis* apply to the Debentures and other Securities of the Company to the extent relevant.
- 8 Member's right to Share Certificates of the Company**
- Every person whose name is entered as a member in the Register of Members shall, without payment, be entitled to a Share Certificate under the Seal specifying the share or shares held by him and the amount paid thereon. The provisions on entitlement and delivery of the Share Certificates shall be in accordance with the Act.

- 9 Issue of Certificates**
- (a) Every share certificate shall be issued in accordance with the provisions of the Act for the time being in force.
- (b) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialized form.
- 10 Issue of shares otherwise than for cash**
- Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery or appliances supplied or for services rendered or to be rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares or partly paid-up shares otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares subject to the compliance with such procedures as may be prescribed under the Act.
- 11 Acceptance of Shares**
- An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of shares within the meaning of these Articles. Every person to whom any shares have been so allotted or who otherwise accepts any shares and whose name is on the Register shall for the purpose of these presents be a Member / Beneficial Owner.
- 12 Liability of joint holders of shares**
- The joint holders of a share shall severally as well as jointly be liable for the payment of all installments and calls due in respect of such shares.
- 13 Recognition to Registered Holders of Shares**
- Save as otherwise provided by the Act and these Articles, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly the Company shall not except when ordered by a court of competent jurisdiction or by the statute required, be bound by or to recognize any equitable, contingent, future or partial interest, lien, pledge or charge in any share or any interest in any fractional part of a share, or any other rights in respect of any share except an absolute right to the entirety thereof of the registered holder.
- 14 Board of Directors' right to issue Preference shares**
- Subject to the provisions of the Act, the Board of Directors may issue preference shares from time to time on such terms and in such manner as considered appropriate.
- The Board of Directors may, at their discretion, issue any portion of the preference shares not already issued, which are liable to be redeemed or converted into equity shares subject to the provisions of the Act, on such terms and conditions as the Board may deem fit.

- 15 Issue of further Shares** The Company shall, subject to the provisions of the Act, issue further shares :
- (i) to the Persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer and the offer shall be deemed to include a right of renunciation of the shares offered to him or any of them in favour of any other person;
 - (ii) to employees under employees' stock option scheme; or
 - (iii) to any persons with the sanction of such requisite resolution passed by the Company in a general meeting, for cash or for a consideration other than cash whether or not those persons include the persons referred to in (i) and (ii) above.
- 16 Issue of Bonus Shares** The Company may, subject to the provisions of the Act, issue fully paid-up bonus shares to its members, in any manner whatsoever, out of (i) its free reserves; (ii) the securities premium account or (iii) the capital redemption reserve account or such other sources as may be prescribed under the Act.
- 17 Issue of Sweat Equity Shares** The Company may issue sweat equity shares subject to the provisions of the Act and any other laws, including the SEBI Regulations, for the time being in force as may be applicable.
- 18 Issue of Equity Shares with differential rights** The Company may issue equity shares with differential rights as to dividend, voting or otherwise, subject to the provisions of the Act.
- 19 Buy back of Shares or other specified Securities** Notwithstanding anything contained in these articles but subject to the provisions of the Act and any other applicable provisions of the act or any other laws, including the SEBI Regulations, for the time being in force as may be applicable, the Company may purchase its own Shares or other specified Securities.
- 20 Variation of rights** If at any time the share capital is divided into different classes of shares, the rights attached to any class of shares (unless otherwise provided by the terms of the issue of that class), Debentures and other Securities to the extent relevant, may, subject to the provisions of the Act, be varied with the consent in writing of such number of the holders of the issued shares / Securities of that class or with the sanction of requisite resolution passed at a separate meeting of the holders of the shares / Securities of that class, as prescribed by the Act.

- 21 Commission for placing Securities** The Company may, at any time, pay commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in or debentures or any other Securities of the Company or his procuring or agreeing to procure subscription, whether absolute or conditional for any share in, or debentures or any other Securities of the Company. Provided that the rate or amount and the manner of disclosure of commission shall be as prescribed in the Act. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or securities or partly in one way and partly in the other.
- 22 Company's lien on shares** The Company shall have first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member, whether solely or jointly with others and upon the proceeds of sale thereof for all monies "whether presently payable or not" called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created, except upon the footing and condition that Articles hereof is to have full effect and such lien shall extend to all dividends payable and bonuses declared from time to time in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
- 23 As to enforcing lien by sale.** For the purpose of enforcing the lien, the Board of Directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committees, curator bonis or other legal representatives as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid for fourteen days after the date of such notice.
- 24 Application of proceeds of sale** The net proceeds of the 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 be paid to such member, his executors or administrators or assigns or his committee, curator bonis or other legal representatives, as the case may be.
- 25 Validity of sales in exercise of Lien and after Forfeiture** Upon any sale after a forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the

purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the proceeds of sale and after his name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the same shall be in damages only and against the Company exclusively.

- 26 Provisions as to lien to apply mutatis mutandis to debentures, etc.** The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other Securities including debentures of the Company.

CALLS ON SHARES

- 27 Board may make Calls** (a) Subject to the provisions of the Act, the Board may, from time to time, make such calls as they think fit upon the members in respect of all monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and the member shall pay the amount of every call so made on him to the persons and at the time and place appointed by the Board.
- Calls on shares of same class to be on uniform basis** (b) All calls shall be made on a uniform basis on all shares falling under the same class.
- Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
- 28 Length of notice of call** Each member shall, subject to receiving notice, as prescribed in the Act, specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- 29 Board may extend time for payment** 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 to all or any of the members as the Board may deem appropriate in any circumstances, but no member shall be entitled to such extension as a matter of right.
- 30 Revocation or postponement of Call** A call may be revoked or postponed at the discretion of the Board.
- 31 Liability of joint holders of shares** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

- 32 Sums payable in fixed instalments to be deemed calls** If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times whether on account of the nominal value of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Board, of which due notice had been given and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.
- 33 Date of call** A call shall be deemed to have been made on the date fixed as the date of the making of the call by a resolution of the Board authorizing the call and failing such fixation the call shall be deemed to have been made at the time when the resolution of the Board authorizing the call is passed.
- 34 When interest on calls payable** (a) 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 upon the sum at the rate not exceeding ten percent or at such lower rate as fixed by the Board from the day appointed for payment thereof to the time of the actual payment.
- Board may waive interest** (b) The Board shall be at liberty to waive payment of or vary the rate of any such interest wholly or in part.
- 35 Payment of calls in advance may carry interest** The Board may, if it thinks fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the money or monies so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding twelve percent per annum, as may be agreed upon between the member paying the sum in advance and the Board. Such advances shall not confer a right to the dividend or to participate in profits or to any voting rights.
- 36 Partial payment not to preclude forfeiture** Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such moneys shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
- 37 Provisions as to calls apply *mutatis mutandis* to other securities** The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

TRANSFER AND TRANSMISSION OF SHARES

- 38 Transfer** The instrument of transfer of any share in the Company shall be executed both by or on behalf of the transferor and transferee and the transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof. In the case of shares held jointly and in case where shares have been transferred to more than one person jointly the transfer deed shall be signed by all the said joint holders or by all the transferees as the case may be.
- 39 Form of transfer** The instrument of transfer shall be in such form as may be prescribed under the Act, from time to time.
- 40 Board may decline to register transfer** The Board may, subject to the right of appeal conferred by the Act, decline to register—
- (a) the transfer of a share to a person of whom they do not approve; or
 - (b) any transfer of shares on which the Company has a lien.
- 41 Board may decline to recognise instrument of transfer** The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in Rules made under the Act;
 - (b) the instrument of transfer, duly stamped, is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of shares.
- 42 Register of Transfers and closure thereof**
- (a) The Company shall keep the 'Register of Transfers and Transmission' wherein shall be entered the particulars of every transfer or transmission of any shares.
 - (b) The Share Transfer Books and Register of Members may be closed during such time as the Board thinks fit, not exceeding in the aggregate forty five days in each year, but not exceeding thirty days at any one time, after giving atleast seven days previous notice or such notice as may be prescribed by SEBI, in accordance with the Act and in the manner prescribed in the Rules.
- 43 Provisions relating to transfer of shares apply for debentures and other Securities** The provisions of these articles relating to transfer of shares shall mutatis mutandis apply to debentures and other securities of the Company, to the extent relevant or appropriate.

- 44 Transmission**
- (a) In the event of death of any one or more of the joint holders of any registered shares, the survivor or survivors shall alone be the persons recognised by the Company as having any title to or interest in such shares.
 - (b) In the event of the death of any sole holder or of the death of last surviving holder, the nominee or nominees or the executors or administrators or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representatives of the deceased shareholder.

Provided further that if the member had been a member of a Joint Hindu Family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family may recognize the survivors or the Karta thereof as having title to the shares registered in the name of such member.

Provided further that in any case it shall be lawful for the Board in their absolute discretion to dispense with the production of probate or letters of administration or other legal representation upon such terms as to indemnity or otherwise as the Board may deem just.

- 45 Transfer of shares of deceased or insolvent members.**
- Any person becoming entitled to shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, may, with the consent of the Board be registered as a member in respect of such shares, or may, subject to the Articles as to transfer hereinbefore contained, transfer such shares.

- 46 Rights of Successor**
- Any person becoming entitled to a share by reason of the death or insolvency 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 share, except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to the meetings of the Company.

- 47 Application for transfer**
- (1) An application for the registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor no registration shall, in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in such form as may be

prescribed under the Rules from time to time and subject to the provisions of sub-clause (4), unless objection is made by the transferee within the time prescribed from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Notice to transferee in case of partly paid shares for transfer

(2) For the purpose of sub-clause (1) notice to the transferee shall be deemed to have been duly given if sent by registered post or such other modes, as prescribed under the Act, to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered in the ordinary course and the transferee gives no objection to the transfer within two weeks from the receipt of notice.

Proper instrument etc., necessary

(3) It shall not be lawful for the Company to register a transfer of any shares unless a proper instrument of transfer duly stamped, dated and executed by the transferor and the transferee specifying the name, address and occupation, if any, of the transferee has been delivered to the Company by the transferor or transferee within prescribed period along with the certificate and if no such certificate is in existence, along with the letter of allotment or such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

Where original instrument of transfer is lost

Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for the instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost or the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

Refusal to register transfer

(4) If the Company refuses to register the transfer or transmission of any shares, the Company shall within a period as prescribed under the Act from the date on which the instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company send to the transferee and transferor or the person giving intimation of such transmission, the notice of the refusal, giving reason for such refusal.

48 Company's right to register transfer by apparent legal owner

The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares

notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of transfer and may have entered such notice or referred thereto in any record of the Company; and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right or 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 the books of the Company; but the Company shall, nevertheless, be at liberty to have regard to and attend to any such notice and give effect thereto, if the Board shall think fit.

- 49 Provisions relating to transmission of shares apply for debentures and other Securities** The provisions of these articles relating to transmission by operation of law shall mutatis mutandis apply to debentures and other securities of the Company, to the extent relevant or appropriate.
- 50 Provisions on transfer of securities not to apply to securities under Depository** Nothing contained in the Act or the Articles which are inconsistent with the provisions of Depositories Act, 1996 shall apply to a transfer of securities effected by a transferor or transferee both of whom are entered as beneficial owners in the records of a Depository.

FORFEITURE OF SHARES

- 51 If call or instalment not paid, notice may be given** If a member fails to pay any call, or instalment of a call, or any money dues in respect of any share on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, or a judgement or decree in respect thereof remains unsatisfied in whole or in part serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.
- 52 Form of notice** The notice shall name a day (not earlier than the expiration of fourteen days from the date of service of the notice) and a place or places on and at which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the call was made will be liable to be forfeited.
- 53 If notice not complied with, shares may be forfeited** If the requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

- 54 Disposal of forfeited shares/ Cancellation of forfeiture** A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit and at any time before a sale or disposal as aforesaid, the forfeiture may be cancelled on such terms as the Board may think fit.
- 55 Liability after forfeiture** A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall nevertheless remain liable to pay and shall forthwith pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, together with interest at the rate fixed by the Board, whether such claim be barred by limitation on the date of the forfeiture or not but his liability shall cease if and when the Company receives payment in full of all moneys due in respect of such shares. The Board may, if they shall think fit, waive the payment of such interest or any part thereof.
- 56 Declaration of forfeiture** A duly verified declaration in writing that the declarant is a Director or 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.
- The Company on receipt of the consideration, if any, given for the shares on the sale or disposal thereof may execute a transfer of the share in favour of the person to whom the share is sold or disposed of who shall be registered as the holder of the share and he 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.
- 57 Non-payment of sums payable at fixed times** 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, or otherwise, as if the same had been payable by virtue of a call duly made and notified.
- 58 Set off of money due to shareholder** Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls or otherwise.

CONVERSION OF SHARES INTO STOCK

- 59 Conversion of shares into stock and reconversion** Subject to the provisions of the Act, the Board may, with the sanction of the Company previously given in general meeting convert all or any fully paid-up shares into stock and may with the like sanction reconvert any stock into paid-up shares of any denomination.

Where shares are converted into stock, —

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit;

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages 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.
- (c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

- 60 Restriction on Voting Rights** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in respect of his Shares lien has been exercised by the Company.

ALTERATION OF CAPITAL

- 61 Power to increase capital** The Company may, from time to time, with the sanction of the requisite resolution in general meeting, increase the authorised share capital by such sum to be divided into shares of such amount as may be specified in the resolution.
- 62 Alteration of Share Capital** Subject to the provisions of the Act, the Company may with the sanction of the requisite resolution:
 - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

- 63 Reduction of Share Capital** The Company may with the sanction of the requisite resolution reduce its share capital or capital redemption reserve account or share premium account or any other reserve in the nature of share capital in any manner and with and subject to any incident authorised and consent required by law.

GENERAL MEETINGS

- 64 Annual General Meeting** (a) The Company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it.
- Extraordinary General Meetings** (b) All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- 65 When Extraordinary General Meeting to be called** The Board may, whenever it deems fit, call an Extraordinary General Meeting of the Company.
- If at any time the Directors capable of acting who are sufficient in number to form a quorum are not within India, any director of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
- 66 Extraordinary General Meetings on requisition** The Board shall, at the requisition made by such number of members of the Company required under the Act, proceed to convene an Extraordinary General Meeting of the Company in the manner provided in the Act.

PROCEEDINGS AT GENERAL MEETINGS

- 67 Quorum** The quorum for the General Meeting shall be as provided in the Act and no business shall be transacted at any general meeting unless the requisite quorum is present at the time when the meeting proceeds to business.
- 68 If quorum not present when meeting to be cancelled and when to be adjourned** If within half-an-hour from the time appointed for holding the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall stand cancelled, and in any other case, it shall stand adjourned to the same day in the next week, at the same time and place or to such other date and such other time and place as the Board may determine and if at the adjourned meeting also a quorum is not present within half-an-hour from the time appointed for holding the meeting, the members present shall be the quorum.
- 69 Chairperson of General Meeting** The Chairperson, if any, of the Board of Directors shall preside as Chairperson at every general meeting of the Company.

- 70 When Chairperson absent, choice of another Chairperson** Subject to the provisions above, if there is no such Chairperson, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson, the Directors present shall choose one amongst them as Chairperson; and if no Director is present, or if all the Directors decline to take the chair, then the members present shall elect one of themselves to be Chairperson of the meeting.
- 71 Adjournment of Meeting** The Chairperson may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn that meeting from time to time and subject to the provisions of the Articles hereof from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in the Act, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted thereat.
- 72 Casting vote** In the case of an equality of votes, whether on a show of hands and/or electronically and/or on a poll, the Chairperson of the meeting shall have a casting vote in addition to the vote / votes to which he may be entitled as a member.

VOTES OF MEMBERS

- 73 Votes of members** Subject to any rights or restrictions for the time being attached to any class or classes of shares -
- (a) On a show of hands every member present in person shall have one vote.
- (b) On a poll or in an electronic voting, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
- Voting through electronic means** (c) A member may exercise his vote by electronic means in accordance with the provisions of the Act for the time being in force and shall vote only once. A member who has already voted by electronic means shall not be entitled to vote on the same business again in any other manner whether on a poll or otherwise.
- 74 Votes of Joint holders** In the case of joint holders the vote of the first named in the Register of Members of such joint holders who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.

- 75 Votes by Members of unsound mind** A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his Committee or other legal guardian and any such Committee or guardian on a poll, may vote by proxy.
- 76 Restriction on voting rights** (a) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.
- Restriction on exercise of voting rights in other cases to be void** (b) A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.
- 77 Equal rights of members** Any member whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.
- 78 Proxy permitted on poll** On a poll, votes may be given either personally or by proxy.
- 79 Instrument of proxy** The instrument appointing a proxy shall be in writing, under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a body corporate, either under its seal or the hand of an officer or of its attorney duly authorised in writing.
- 80 Proxy need not be a member** Any person whether or not he is a member of the Company, may be appointed as a proxy.
- 81 Instrument of Proxy to be deposited at the Registered Office** The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarised certified copy of that power or authority shall be deposited at the Registered Office of the Company within the time prescribed under the Act for holding the meeting or adjourned meeting at which the persons named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
- 82 Proxy valid after death, etc., of given if not intimated to Company** A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the appointer, or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 83 Form of proxy** An instrument appointing a proxy shall be in the form as prescribed in the Rules made under the Act and be duly stamped.

BOARD OF DIRECTORS

- 84 Number of Directors and their appointment** Save as provided in the Act for the time being, the Company shall have not less than three and not more than fifteen directors. The Company may appoint more than fifteen directors after passing requisite resolution at a General Meeting, as provided in the Act.
- 85 Appointment of same individual as Chairperson and Managing Director** Subject to the provisions of the Act and any other laws, including SEBI Regulations that are for the time being in force, the Company may appoint or re-appoint same individual at the same time as the Chairperson of the Company as well as Managing Director or Chief Executive Officer of the Company.
- 86 Independent Directors** The Company shall have independent directors as required under the Act. Such independent directors will be governed by the provisions of the Act and they are not liable to retirement by rotation at the Annual General Meeting.
- 87 Woman Director** The Company shall have women directors as required under the Act.
- 88 Qualification of Directors** A "Director" shall not be required to hold any share in the capital of the Company as his qualification.
- 89 Additional Directors** Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Person as an additional director, provided that the number of directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles hereof.
- 90 Alternate Directors** Subject to the provisions of the Act, the Board of Directors may appoint any person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate Director for a director (hereinafter referred to as the "original director") during his absence for a period of not less than three months from India:
- An alternate director shall not hold office for a period longer than that permissible to the original director and shall vacate the 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, the provisions contained in the Act or these Articles for the automatic reappointment of retiring directors in default of another appointment shall apply to the original director and not to the alternate director.
- 91 Board's power to fill up casual vacancy** Subject to the provisions of the Act, if the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board. The Director 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.

- 92 Nominee Director** Subject to the provisions of the Act, the Board may appoint any person as a Director nominated by any financial institution(s) and bank(s) in pursuance of the provisions of any law for the time being in force or of any agreement or appointed by any Government or any other Person to represent its interests and the Company shall reimburse the relevant institution in respect of any amounts paid or payable by such institution to the director on account of travelling, accommodation and any other expenses incurred for attending any of the above meetings.
- 93 Sitting fees** The fee payable to the Directors for attending the Meetings of the Board of Directors and Committees thereof shall be such as may be determined by the Board from time to time within the limits prescribed under the Act.
- 94 Reimbursement of Expenses** The Board of Directors shall be entitled to be paid all travelling, halting and other expenses incurred by them in attending and returning from such meeting of the Board, or of any Committee of the Board or for any other purpose whatsoever as may be decided by the Board.
- 95 Remuneration payable to Directors** The remuneration payable to the Directors of the Company, including any Managing or Whole-Time Director or Manager, shall be determined, in accordance with and subject to the provisions of the Act.
- 96 Waiver of amount refundable** In the case of loss or inadequacy of profits, the Board of Directors may waive the recovery of any excess remuneration paid to or drawn by the Directors, subject to the provisions of the Act.

RETIREMENT AND REAPPOINTMENT OF DIRECTORS

- 97 Retirement of Directors** The Board of Directors shall determine the Non-Independent Directors, whose period of Office is or is not liable to determination by retirement by rotation The manner of retirement and reappointment of Directors at the Annual General Meeting shall be in accordance with the provisions of the Act.
- 98 Reappointment of Directors** A retiring director shall be eligible for reappointment in accordance with the provisions of the Act.

POWERS OF DIRECTORS

- 99 General powers of the Board** 1. Subject to the provisions of the Act and these presents, the business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not, by the Companies Act, or any statutory modification thereof for the time being in force or by these Articles, required to be exercised by the Company in General Meeting.

2. Without prejudice to the general powers conferred by the last preceding clause and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by these presents, it is hereby expressly declared that the Board shall, subject to the provisions of the Act, have authorities, that is to say, power:
- (a) To appoint Key Managerial Personnel and Officers 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 and emoluments and to require security in such instances and for such amounts as they think fit.
 - (b) To borrow on mortgage of the whole or any part of the property of the Company or on the bonds, debentures either secured or unsecured, by a charge or mortgage or other securities of the Company, or otherwise, as they may seem expedient, such sums as they may think necessary for the purpose of the Company subject to the provisions of the Act.
 - (c) To split share certificates, letters of allotment and in a 'Rights' issue to split letters of rights into smaller denominations in the same name and to have any such splits certified by an official of the Company.
 - (d) To purchase or otherwise acquire for the Company any property, rights and privileges which the Company is authorised to acquire, at such price and generally on such terms and conditions as they may think fit and at their discretion to pay for any property, rights or privileges acquired by, or services rendered to the Company, either wholly or partly in cash or in shares or in both, or in bonds, debentures 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.
 - (e) To undertake on behalf of the Company the payment of all rent and the performance of all covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions and otherwise to acquire the freehold or fee simple of all or any of the lands of the Company for the time being held under lease or for an estate less than a freehold estate.

- (f) To sell for cash or on credit, and either wholesale or retail and for ready or future delivery, movable or immovable, or any rights or privileges belonging to the Company, or in which the Company is interested, or which the Company may have received as security, or over which the Company may have any power of disposal and to exchange any such property or rights belonging to the Company for other property or rights.
- (g) Subject where necessary to the consent of the Company in general meeting, to sell property of the Company, for such consideration as they may think fit and in particular for cash or for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.
- (h) To draw, accept, endorse, negotiate, purchase and sell bills of exchange and other negotiable instruments with or without security and 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.
- (i) to make advances and loans without any security, or on such security as they may think proper and to take security for already existing debts and to invest and deal with any of the moneys of the Company upon such securities (not being shares in this Company) and in such manner as they may think fit and from time to time to vary or realise such investments.
- (j) To execute all deeds, agreements, contracts, receipts and other documents that may be necessary or expedient for the purposes of the Company and to make and give receipts, releases and other discharges for moneys or goods or property, received in the usual course of business of the Company, or lent or payable to, or belonging to the Company and for the claims and demands of the Company.
- (k) From time to time and at any time to entrust to and confer upon the Managing Director and/or Whole-Time Director or other officers for the time being of the Company and to authorise or empower them to exercise and perform and by power of attorney under seal to appoint any persons to be the attorneys of the Company and invest them with such of the powers, authorities, duties and discretions exercisable by or conferred or imposed upon the Directors under the Memorandum and Articles of Association of the

Company, as the Directors may think fit and for such time and to be exercised for such objects and purposes and subject to such restrictions and conditions as the Directors may think proper and expedient and either collaterally with or to the exclusion of and in substitution for all or any of the powers, authorities, duties and discretions of the Directors in that behalf, with authority to the Managing Director and/or Whole-Time Director or such other officers or attorneys to sub-delegate all or any of the powers, authorities, duties and discretions for the time being vested in or conferred upon them and from time to time to revoke all such appointments of attorneys, and withdraw, alter or vary all or any of such powers, authorities, duties or discretions.

- (l) To nominate, appoint and at their pleasure remove, discharge, or suspend and to re-employ or replace, for the management of the business of the Company such Key Managerial Personnel, experts, engineers, accountants, agents, sub-agents, bankers, brokers, solicitors, officers, clerks, servants and other employees for permanent, temporary or special services as the Directors may from time to time think fit and to determine their powers and duties and to fix their emoluments, salaries, wages and bonus and to require security in such instances and to such amount as they think fit and to insure and arrange for guarantees for fidelity of any employee of the Company and to pay such premium on any policy of guarantee which may from time to time become payable.
- (m) To give any officer or other person employed by the Company a commission on the profits of any particular business or transactions, or a share in general or particular profits of the Company and such commission or share of profits shall be treated as part of the working expenses of the Company.
- (n) 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 the Company is interested, or for any other purposes and to execute and do all such acts, deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (o) 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 for the benefit of the Company such mortgages

of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants, and provisions as shall be agreed upon.

- (p) To allow time for the payment or satisfaction of any debts due to the Company and to compound such debts or any claims or demands by or against the Company and to refer any such claims or demands or any matter or dispute in which the Company is interested to arbitration and to observe and perform the awards.
- (q) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company, or its officers, or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings as the Directors in their discretion may think fit and to act on behalf of the Company in all matters relating to bankrupts and insolvents. The Managing Director and/or Whole-Time Director for the time being or any other person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrants to sue or defend on behalf of the Company and all and every legal proceeding and submission to arbitration as may be requisite and for the purposes aforesaid the Managing Director and/or Whole-Time Director for the time being or such other person shall be empowered to use their or his own name on behalf of the Company and such Managing Director and/or Whole-Time Director or such other person, whose name shall be so used as aforesaid, shall be saved harmless and indemnified, out of the funds and property of the Company, against all costs and damages which they or he may incur or to be liable to by reason of his name being so used as aforesaid; provided that the Managing Director and/or Whole-Time Director or such other person shall not be entitled to do anything whereby the Directors may be prevented from effectually conducting and bringing to an issue any such action or suit.
- (r) To enter into any agreement with any Government or Authority, Municipal, local or otherwise and obtaining from them any rights, concessions and privileges as the Directors deem fit.
- (s) From time to time to provide for the management and transaction of the affairs of the Company outside the place where the Registered Office or the factory is situated, either in different parts of the Union of India, or in any specified locality in India or outside India in

such manner as they think fit and in particular to establish branches and to appoint any person to be the attorneys or agents or employees of the Company with such powers (including power to sub delegate) and upon such terms as may be thought fit and for that purpose the Company may exercise the powers conferred by the Act, relating to official seal for use abroad and the keeping of a foreign register respectively and such powers shall accordingly be vested in the Directors.

- (t) To open banking accounts with any bank or banks for and in the name of the Company and to operate on the same and to draw cheques on the said banking accounts provided that the Managing Director and/or Whole-Time Director shall be entitled to determine, from time to time, the persons being Directors, or officers or other employees of the Company, who may sign, or draw such cheques on the banking accounts of the Company and sign on the Company's behalf and in its name and for purposes of the Company, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and other documents and to give the necessary instructions to the Company's bankers, whether the amount be overdrawn or not.
- (u) To make and give receipts, release and other discharges for money payable to the Company and for the claims and demands of the Company.
- (v) to invest and deal with any of the monies of the Company upon such shares, securities, debentures, etc. (not being shares in this company) and in such manner as they may think fit and from time to time to vary or realise such investments.
- (w) to lend, deposit, advance or give credit monies belonging to or entrusted to or at the disposal of the Company to such person(s) or company(ies) with or without security, upon such terms as may be thought proper and to guarantee the performance of any contract(s) or obligation(s) and the payment by any such person(s) or company(ies) and generally to give sureties, securities, guarantees and indemnities.
- (x) To provide for the welfare of employees or ex-employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such person by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonus, payments towards insurance or other payments

or by creating and from time to time subscribing or contributing to, aiding or supporting provident or other associations, institutions, funds or trusts, or conveniences 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 Company shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects or for any exhibition, or for any public, general or useful objects, to any political party or for any political purpose to any individual or body.

- (y) To give, award or allow any pension, gratuity, or compensation or bonus to any employee of the Company, or his widow, children, or dependents that may appear to the Directors just and proper, whether he, she or they has or have not a legal claim upon the Company; and before recommending any dividend, to set aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities, or compensation, bonuses, or to create any provident or Benefit Fund or insurance Scheme in such or any other manner as the Directors may deem fit.
- (z) To acquire or erect houses or buildings for the officers of the Company, or for transaction of its business or for the employees of the Company or for the purpose of investment or otherwise and to insure against fire or other risks all or any of the insurable property of the Company.
- (aa) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.
- (bb) For or in relation to any of the matters aforesaid, or otherwise for the purposes and objects of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts and execute, perform and do and sanction and authorise all such acts, deeds, matters and things in the name and on behalf of the Company, as they may consider expedient.
- (cc) From time to time borrow or acquire for payment any sum or sums of money for the purposes of the Company and may secure the repayment of such sum or sums upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable or redeemable debentures or debenture stock or other securities or any mortgage,

charge or other security on the undertaking or on the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

(dd) To pay the cost, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company, or any other Company and subsequent to the registration thereof, including, therein the fees and stamps paid in respect thereof and the cost of advertising, printing, stationery, brokerage, solicitor's charges, furniture and fittings of office and such other cost which the Directors consider may be fairly deemed and treated as preliminary and to place the same to a separate account, to be called the preliminary expenses account and to charge the same to the profits of the Company or to Capital as the Directors may deem expedient.

(ee) And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company excepting such acts and things as by law or by the Memorandum of Association of the Company or by these presents may stand prohibited.

100 Company to contribute to bona fide and charitable funds, etc.

Subject to the provisions of the Act, the Board of Directors of a Company may contribute to *bona fide* charitable and other funds.

101 Charge on uncalled Capital

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

- 102 Successive charge on uncalled capital** Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same, subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.
- 103 Assignability of securities** Subject to the provisions of the Act, debentures or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- 104 Minutes of proceedings of Meetings and postal Ballot resolutions**
- (1) The Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors and every resolution passed by postal ballot and every meeting of its Board of Directors or of every Committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.
- Discretion of Chairperson on Minutes** (2) The Chairperson of the meeting may exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person or irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.
- Minutes to be evidence** (3) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein
- Inspection of minute books of general meeting** (4) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:
- a) be kept at the registered office of the Company; and
- b) be open to inspection by any member without charge at a reasonable time which will be not less than two hours on every working day other than Sunday.
- Members may obtain copy of minutes** (5) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act, with a copy of any minutes referred to in clause (4) above:

KEY MANAGERIAL PERSONNEL

- 105 Appointment of Key Managerial Personnel of the Company** Subject to the provisions of the Act —
- (i) A Managing Director or Chief Executive Officer or Manager or Whole-time Director, Company Secretary and Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, in accordance with the provisions of the Act.
 - (ii) A director may be appointed as Managing Director, Chief Executive Officer, Whole-time Director, Company Secretary or Chief Financial Officer.

PROCEEDINGS OF THE BOARD OF DIRECTORS

- 106 Proceedings of the Board** The Board may meet together, for the conduct of business, adjourn and otherwise regulate their meetings, as they think fit. The Chairperson or in the absence of a Chairperson, the Vice Chairperson or any director with the consent of the Chairperson or the Vice Chairperson, as the case may be, or the Company Secretary upon the direction of the Chairperson or the Vice Chairperson, as the case may be, may at any time summon a meeting of the Board at such times and places as they deem fit.
- 107 Quorum** (1) The quorum for a meeting of the Board of Directors shall be as provided in the Act.
- Adjournment of meeting for want of quorum** (2) If a meeting of the Board cannot be held for want of a quorum then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.
- 108 Participation at Board Meetings** The participation of the Directors in a meeting of the Board may be either in person or through Video Conferencing or audio-visual means or teleconferencing, as may be prescribed in the Act.
- 109 Chairperson** The Board may elect one of its members to be the Chairperson of its meetings and determine the period for which he is to hold such office.
- 110 Vice Chairperson** The Board may elect one among its members to be the Vice Chairperson and determine the period for which he is to hold such office.
- 111 Duties of Chairperson and Vice Chairperson** The Chairperson or, in his absence, the Vice Chairperson shall preside over all the meetings of the Board and regulate the conduct thereof. If at any time both the Chairperson and the Vice Chairperson are not present within fifteen minutes after the time appointed for holding the meeting or being present are not willing to preside over the meeting, the Directors present shall choose one of their number to be Chairperson of such meeting.

- 112 Committee** The Board may, subject to the provisions of the Act, Listing Agreement, SEBI Regulations and of these presents, constitute and delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit. A Committee so formed shall, in the exercise of the powers so delegated, conform to any regulation that may be imposed on it by the Board.
- 113 Chairperson of Committee** A Committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting or is not willing to preside over the meeting, the members present may choose one of their number to be Chairperson of the meeting.
- 114 Questions at Committee Meetings decided by casting vote** Save as otherwise expressly provided in the Act, questions arising at any meeting of the Committee shall be decided by a majority of votes. In case of an equality of votes, the Chairperson shall have a second or casting vote.
- 115 Acts of Board etc., valid in spite of defective appointment of Directors, etc.** All acts done by any meeting of the Board or of a Committee thereof, or by any person acting as a director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
- 116 Directors not to act when their number falls below minimum** 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 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.
- 117 Resolution by circulation** Save as otherwise expressly provided in the Act, a resolution together with necessary papers in writing, circulated to all the Directors as specified in the Act and approved by a majority of Directors or members, who are entitled to vote on the resolution, shall be as valid and effectual as if it had been a resolution passed at a meeting of the Board or of Committee duly convened and held.
- 118 Managing and Whole-time Directors** Subject to the provisions of the Act, the Board shall have the power to appoint and reappoint from time to time one or more Directors to be Managing Director(s) and Whole Time Director(s) of the Company under such designation, for such period, on such terms and conditions and on such remuneration (whether by way of salary, perquisites, commission or participation in profits, or otherwise or partly in one way and partly in another) as the Directors may, under the provisions of the Act, or any other law applicable for the time being in force.

Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 179 of the Act thereof, the Board may, from time to time, entrust to and confer upon, the Managing Director for the time being, such of the powers exercisable under These Presents by the Board, as it may think fit and may confer such powers of such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit, either collaterally with, or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf and may from time to time alter, vary, withdraw or revoke all or any of such powers.

The Whole Time Director(s), who are in whole-time employment of the Company shall be subject to the supervision and control of the Managing Director and exercise such powers as are vested by the Board from time to time.

The Managing / Whole-Time Director(s) shall be subject to the same provisions as to resignation and removal as the other Directors and he shall *ipso facto* and immediately cease to be a Managing / Whole-Time Director if he ceases to hold office as Director.

SEAL

119 Common Seal of the Company The Board may provide for a common seal of the Company. It shall have the power from time to time to destroy the same and substitute a new seal in lieu thereof. The Board may also decide upon discontinuing or dispensing with the common seal in accordance with the Act.

The Board shall provide for safe custody of the seal. The Board may in its discretion determine the documents or instruments for which affixation of the common seal may be necessary.

Such affixation shall be done in the presence of any one of the Directors or Key Managerial Personnel of the Company or such other person authorised by the Board and such Director or Key Managerial Personnel or person authorised by the Board shall sign every document or instrument to which the seal of the Company is so affixed in his presence.

Any document or instrument on which the common seal is not affixed, shall not be construed as invalid.

DIVIDENDS AND RESERVE

120 Dividends The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

121 Interim dividends Subject to the provisions of the Act, 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.

- 122 Dividends to be paid out of the profits** 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 equalizing dividends; and pending such application, may, at its 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.
- The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 123 Dividend entitlement** (1) 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-up on the shares in respect whereof the dividend is paid.
- Calls in advance not entitled for dividend** (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of this Article as paid on the share.
- Dividend payment in proportion to amount paid-up** (3) 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.
- 124 Appropriations of Dividends towards calls in arrears** 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.
- 125 No interest on Dividends** No dividend shall bear interest as against the Company.
- 126 Dividends how paid** (1) Any dividend, interest, or other moneys payable in cash in respect of shares may be paid through any electronic mode or 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 the joint holder 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.
- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

- (3) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to have discharged its obligation of having made payment if such payment has been made using any of the foregoing permissible means to the recipient thereof.
- 127 Receipts by Joint holders** Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other monies payable in respect of such share.
- 128 Notice of declaration of dividend** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act and these presents.

CAPITALISATION OF PROFITS

- 129 Resolution to capitalise**
- (1) 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 Statement of Profit and Loss, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members, who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards -
- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid; or
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) Free Reserves, Securities Premium Account and Capital Redemption Reserve Account or such other sources as may be prescribed under the Act, may, for the purpose of this Article, be applied in paying up of unissued shares to be issued to the members of the Company as fully paid bonus shares.

- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- 130 Capitalisation of profits**
- (1) 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 do all acts and things required to give effect thereto.
- (2) The Board shall have full power:
- (a) to make such provision by the issue of fractional certificates coupon or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions; and also.
- (b) to authorise any person to enter, on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.

AUDIT

- 131 Audit of Financial Statements** Every Balance Sheet and Statement of Profit and Loss of the Company be audited by one or more auditors in accordance with the applicable provisions of the Act.
- 132 Statutory Auditors** The appointment and reappointment, term, rotation, eligibility qualification and disqualification, rights, powers, duties, resignation and removal of Auditors and Audit Report shall be in accordance with the provisions of the Act.
- 133 Audit of Secretarial Records** The Company shall get the secretarial and related records audited in the manner prescribed by the Act.

- 134 Secretarial Auditors** Appointment, reappointment, rotation, removal, resignation, eligibility, qualification, disqualification, remuneration, powers and duties etc. of the Secretarial Auditors and the Secretarial Audit Report shall be in accordance with the provisions of the Act.

SERVICE OF DOCUMENTS AND NOTICE

- 135 Service of documents of company** Service of documents and Notice on a Company or a Member and the manner and mode of service shall be as provided in the Act.

AUTHENTICATION OF DOCUMENTS

- 136 Authentication of documents and proceedings** Save as otherwise provided in the Act or these articles, a document or proceeding requiring authentication by the Company or contracts made by or on behalf of the Company may be signed by any Key Managerial Personnel or an Officer or employee of the Company authorized by the Board and need not be under its seal.

INSPECTION OF BOOKS OF ACCOUNTS

- 137 Inspection of Accounts and Books** 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 the members not being directors and no member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Board or by the Company in General Meetings.

STATUTORY REGISTER

- 138 Registers and inspection thereof**
- (1) The Company shall keep and maintain at its Registered Office all statutory registers, other than the Register of Members, which shall be maintained by the Registrar & Transfer Agents, for such duration as the Board may decide unless otherwise prescribed and in such manner and containing such particulars as prescribed by the Act.
 - (2) The Registers and copies of annual return shall be open for inspection by any member at a reasonable time which will be not less than two hours on every working day other than Sunday, at the registered office of the Company by the persons entitled thereon on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act.

WINDING UP

139 Winding up

Subject to the applicable provisions of the Act –

If the Company shall be wound up, the liquidator may, with the sanction of the requisite resolution of the Company and any other sanction required by the Act, divide amongst the members in specie or in kind, the whole or any part of the assets of the Company, available for distribution among members (whether they shall consist of the property of the same kind or not).

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.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND RESPONSIBILITY

140 Right of Key Managerial Personnel, Officers and Employees to indemnity

(a) Subject to the provisions of the Act, the Key Managerial Personnel, Directors, Officers and Employees of the Company shall be indemnified by the Company out of the funds of the Company to pay all costs, losses and expenses including travelling expenses which such Key Managerial Personnel, Directors, Officers and Employees of the Company may incur or become liable to by reason of any contract entered into or act done by him as such Key Managerial Personnel, Director, officer or employee or in any way in the discharge of his duties in such capacity including expenses.

(b) Subject as aforesaid, the Key Managerial Personnel, Director, Officers and Employees of the Company shall be indemnified against any 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 discharged or in connection with any application under the provisions of the Act in which relief is granted to him by the Court.

141 Indemnity to the Directors for becoming sureties, etc. to the Company

If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

INSURANCE

- 142 Insurance for Key Managerial Personnel, Directors and others** The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Key Managerial Personnel, Directors and others for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

GENERAL POWER

- 143 General Power in Articles** Wherever in the Act, or any other law for the time being in force it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, or such other law for the time being in force without there being any specific Article in that behalf herein provided.

SECURITY

- 144 Secrecy Clause** Subject to the provisions of this Act, no member shall be entitled to visit or inspect the Company's works without the permission of the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors it will be inexpedient in the interest of the Company to communicate to the public.

Every member of the Board, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company, shall if so required by the Board before entering upon their duties or at any time during their term of office, sign a declaration pledging themselves to observe strict secrecy respecting all transactions of the Company and the state of Accounts and in matters relating thereto and shall by such declaration, pledge themselves not to reveal any of the matters which may come to their knowledge in the discharge of duties except when required to do so by the Board or by Court of 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 contained in these Articles.

<i>Names Addresses and descriptions of subscribers</i>		<i>Name, Address and description of Witness</i>
1.	P.MARUTHAI PILLAI S/o Late V.S.Perumal Pillai 144, Sterling Road, Nungambakkam, Madras – 600 034. INDUSTRIALIST	D.RAMJEE S/o Mr.V.R.Dorai 72/2, I Avenue Ashok Nagar Madras – 600 083 Company Secretary Aruna Sugars Limited
2.	M.SIVARAM S/o P.Maruthai Pillai 10, III Cross Street, Sterling Road, Nungambakkam, Madras – 600 034. INDUSTRIALIST	
3.	B.S.ADITYAN S/o, Sri.S.B.Adityan 46, E.V.Sampath Road, Madras – 600 007.	
4.	M/S ARUNA SUGARS LIMITED A Public limited Company Registered under the Companies Act 1956 (Regn No.4255 of 1960) having its registered office at 145, Sterling Road, Nungambakkam, Madras – 600 034 Represented by its Managing Director – Mr.M.Sivaram	
5.	J.RENGARAJAN S/o Sri. R.Jaganathan 40, Prithvi Avenue Madras – 600 018. CHARTERED ACCOUNTANT	
6.	B.SARKAR S/o A.B.Sarkar Flat No.18 16-B Venkatratnam Nagar Extension Off: Canal Bank Road, Madras – 600 20 ARCHITECT	
7.	L.VIJAYAKUMAR S/o K.V.Loganathan 'Annam House' 45, Old Mambalam Road, Madras – 600 033. BUSINESS	
8.	M.GANESAN S/o Late T.V.Marimuthu Pillai 21, Muthu Pandian Avenue, Santhome, Madras – 600 004.	