

# ARTICLES OF ASSOCIATION



## **JUBILANT PHARMOVA LIMITED**

PUBLIC COMPANY LIMITED BY SHARES

(Incorporated under Companies Act, 1956)



**ARTICLES OF ASSOCIATION  
OF  
JUBILANT PHARMOVA LIMITED  
(Incorporated under Companies Act,1956)**

**Applicability of Table F**

Subject as hereinafter provided and in so far as these presents do not modify or exclude them, the regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 as amended from time to time, shall apply to the Company only to the extent that the same are not specifically provided for in these Articles of Association and are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles. In case on any inconsistency of provisions contained in Table "F" in Schedule I to the Companies Act, 2013 and these Articles, the provisions of these Articles of Association will prevail subject to provisions of the Companies Act, 2013.

**General Authority**

Wherever in the Companies Act, 2013 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 of Association, then and in that case, by virtue of this general authority, the Company is hereby specifically authorised, empowered and entitled to have such right, privilege or authority, to carry out such transactions as have been permitted by the Companies Act, 2013 without there being any separate regulations in that behalf herein provided save to the extent there are any restrictions contained in these Articles.

**I. Definitions and Interpretations**

1. In these Articles:
  - (a) the "**Act**" means the Companies Act, 2013 as now enacted or as amended from time to time and shall include any statutory replacement or re-enactment thereof and includes the rules and regulations prescribed thereunder;
  - (b) the "**Articles**" or "**Articles of Association**" means these articles of association of the Company, or, as altered from time to time;
  - (c) the "**Board**" or "**Board of Directors**" or "**Directors**" means the board of directors of the Company collectively, as constituted from time to time; "Director" shall mean a director on the Board of the Company individually;
  - (d) the "**Company**" means Jubilant Pharmova Limited, a public company limited by shares incorporated under the Companies Act, 1956;
  - (e) the "**Depository**" means a depository registered with the Securities and Exchange Board of India under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended or any other regulations formulated by the Securities and Exchange Board of India, as applicable;
  - (f) the "**Depositories Act**" means the Depositories Act, 1996 or any statutory modification(s) or re-enactment(s) thereof, for the time being in force; and
  - (g) the "**Seal**" means the common seal of the Company .
  - (h) the "**Office**" means the Registered Office for the time being of the Company.
  - (i) "**Month**" means calendar month according to the English style.
  - (j) "**Memorandum of Association**" means the Memorandum of Association of the Company as originally framed, or as altered from time to time in pursuance of the Companies Act, 1956.

- (k) **“Member”** means the duly registered holder for the time being of the shares of the Company and in case of shares held in dematerialised form, such person whose name is entered as a beneficial owner in the records of a depository.
- (l) **“Securities”** means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956.
- (m) **“Secretary”** means the Company Secretary of the Company as appointed by the Board.

“In Writing” and “Written” means written, typewritten, lithographed, stamped or printed or any other mode or modes of representing or reproducing words in a visible form or partly in one of the said forms and partly in another and when used in the context of any communication issued by or on behalf of the Company, includes e-mail or any other electronic mode.

Words importing the singular number only include the plural, and vice versa, and words importing the masculine gender only include the feminine gender.

- 2. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined for use.
- 3. Notwithstanding anything contained in these Articles, any reference to a “Person” in these Articles shall, unless the context otherwise requires, be construed to include a reference to a body corporate or an association, any individual, company, partnership, joint venture, firm, trust or body of individuals (whether incorporated or not).

## **II. Public Company**

- 4. The Company is a public company as defined in Section 2(71) of the Act.

## **III. Share capital and variation of rights**

- 5. The authorized share capital of the Company shall be such amount as set out in Clause V of the Memorandum of Association. The Company may increase, re-classify, sub-divide or consolidate the authorized share capital subject to complying with requisite procedure laid down by law.
- 6. The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:
  - (i) Equity Shares:
    - (a) with voting rights; and/or
    - (b) with differential rights as to dividend, voting or otherwise; and
  - (ii) Preference Shares
- 7. Except as otherwise provided by the conditions of issue of the shares or by these Articles, any capital raised by creation of new shares shall be considered as part of the existing share capital and shall be subject to the provisions of these Articles and the Act with reference to payment of calls and instalment(s), transfer, transmission, forfeiture, lien, surrender, voting rights and otherwise.
- 8. Subject to the provisions of the Act and these Articles, the Company shall have the power to issue preference share capital carrying a right of redemption out of profits that would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or liable to be redeemed and the Board may, subject to the provisions of the Act, exercise such power in such manner as it may think fit. The period of redemption of such preference shares shall not exceed the maximum period for redemption provided under the provisions of Section 55 of the Act.

9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
(ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
11. Subject to the provisions of Section 63 of the Act, the Company may issue bonus shares to its members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.
12. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.
13. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings and/ or allotment of shares. Debentures with the rights to conversion into or allotment of shares, either wholly or partly paid up shall not be issued except with the sanction of the Company in general meeting by a special resolution and subject to the provisions of the Act.
14. Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable laws.

#### **IV. Further issue of shares**

15. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-
  - (i) to persons who, as on the date specified under applicable law, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
    - (a) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days or such lesser number of days as may be prescribed and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - (b) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person and the notice referred to in clause (a) above shall contain a statement of this right; and
    - (c) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the shareholders and the Company;
  - (ii) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under the law; or

- (iii) to any Persons, if it is authorized by a special resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the such conditions prescribed in the Act.
16. The notice referred to in sub-clause (a) of clause (i) of Article 15 shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least 3 (three) days before the opening of the issue.
17. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan(s) raised by the Company to convert such debentures or loan(s) into shares in the Company:
- Provided that the terms of issue of such debentures or loan(s) containing such an option have been approved before the issue of such debentures or the raising of loan(s) by a special resolution passed by the Company in a general meeting.
18. Notwithstanding anything contained in Article 17 above, where any debentures have been issued or loan(s) has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loan(s) or any part thereof shall be converted into shares in the Company on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine as appear to the government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loan(s) do not include a term for providing an option for such conversion.
- Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the Company and the government pass such order as it deems fit.
19. In determining the terms and conditions of conversion under Article 18, the government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loan(s) and such other matters as it may consider necessary.
20. Where the government has, by an order made under Article 18, directed that any debenture(s) or loan(s) or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 18 or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.
21. The provisions contained in the Articles 15 to 20 shall be subject to the provisions of the Section 42 and Section 62 of the Act or any amendment/ modification or substitution thereof and other applicable provisions of the Act, wherever applicable.

## **V. Shares at disposal of the Board**

22. Subject to the provisions of Section 62 and other applicable provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may, from time to time think fit, with the sanction of the Company in a general meeting.
23. 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 supplied or for services rendered to the Company and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

## **VI. Commission**

24. The Company may exercise the powers of paying commissions conferred by sub-section (6) of Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section.
25. The rate or amount of the commission shall not exceed the rate or amount prescribed under sub-section (6) of Section 40 of the Act.
26. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

## **VII. Shares and shares certificates**

27. The Company shall cause to be kept a register of members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a "foreign register" of members or debenture holders resident in that country.
28. Every Person whose name is entered as a member in the register of members shall be entitled to receive:
  - (i) one (1) or more certificates for all the shares of each class or denomination registered in his name, without payment of any charge; or
  - (ii) several certificates, if the Board so approves, each for one (1) or more of such shares, and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within the prescribed time period as provided under the applicable law of the receipt of application of, transmission, sub-division, consolidation or renewal of any of its shares as the case may be.
29. The numbering of shares and the issuance of a certificate of shares/issuance of a duplicate certificate of shares, shall be as per the provisions laid down under Section 45 and 46 of the Act and other applicable provisions of law respectively. Where the shares are held in dematerialized form, the record of the relevant depository shall be prima facie evidence of the interest of the beneficial owner.
30. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of such certificate to the person whose name stands first in the Register of Members of the Company as one of the holders of such shares shall be sufficient delivery to all such joint holders thereof. The share certificates shall be signed by such persons as the Act may prescribe from time to time and as may be determined by the Board. Any member of the Company shall have the right to sub-divide, split or consolidate the total number of shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation.
31. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given to the party whose certificate has been lost or destroyed. Every certificate under this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of shares. Notwithstanding the foregoing provisions of this Article, the Board shall comply with applicable law including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

32. Subject to the provisions of the Act and of the foregoing Articles, provisions relating to issue of certificates shall apply mutatis mutandis to issue of certificates for any other securities including debentures of the Company.
33. If any share stands in the names of 2 (two) or more persons, the person first named in the Register of Members of the Company shall as regards voting at general meetings, service of notice and all or any matters connected with the Company, except the transfer of shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such shares and for all incidents thereof according to the Company's Articles.
34. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof as the registered holder.

### **VIII. Dematerialization of securities**

35. Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its shares, debentures and other securities and offer such shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act.
36. Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the securities, which are in dematerialized form.
37. Every Person subscribing to the securities offered by the Company shall have the option to receive share certificates or to hold the security with a Depository. Where a Person opts to hold any security with the Depository, the Company shall intimate such Depository of details of allotment of the security to enable the Depository to enter in its records the name of such Person as the beneficial owner of such shares. Such a Person who is the beneficial owner of the security can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.
38. All shares held by a Depository shall be dematerialized and shall be in a fungible form.
  - (a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owner.
  - (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of shares held by it.
39. Every person holding shares of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of his shares which are held by a Depository. The Company shall be further entitled to maintain a register of members with the details of members holding shares both in physical and dematerialized form in any medium as permitted by law including any form of electronic medium.
40. Notwithstanding anything contained in the Act or the Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.



41. Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

## IX. Call on shares

42. (i) Subject to the provisions of the Act, the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice 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.
- (iii) A call may be revoked or postponed at the discretion of the Board.
43. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
44. 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.
45. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- (iii) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (iv) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
46. The Board –
- (a) may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him;
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be advised by the Board, provided that the money paid in advance of calls on any share may carry interest but shall not confer a right to participate in profits or dividend; and
- (c) The member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to any calls on debentures of the Company.

## X. Forfeiture

47. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
48. The notice aforesaid shall –
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
49. If the requirements of any such notice as aforesaid 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.
50. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
51. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
52. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
53. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## XI. Lien

54. The Company shall have a first and paramount lien:
- (i) on every share (not being a fully paid-up share) registered in the name of each member or holder, as the case may be, (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, 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 share;

(ii) on all shares (not being fully paid shares) standing registered in the name of a single person (whether solely or jointly with others), for all money presently payable by him or his estate to the Company; and  
Provided that the Board may at any time declare any shares wholly or in part to be exempt from the provisions of this Article. Unless otherwise agreed, the registration of a transfer of such shares shall operate as a waiver of the Company's lien if any, on such shares.

(iii) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iv) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:-

Provided that no sale shall be made:

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

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

(v) Unless otherwise agreed, the registration of a transfer of shares or debentures shall operate as a waiver of the Company's lien, if any, on such shares or debentures.

55. (i) To give effect to any such sale as set forth in Article 54 above, the Board may authorise some person to transfer the shares sold to the purchaser thereof;

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

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

(iv) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(v) The residue, if any, shall, (subject to a like lien for sums not presently payable as existed upon the shares before the sale), be paid to the person entitled to the shares at the date of the sale.

(vi) A member shall not exercise any voting rights in respect of the shares in regard to which the Company has exercised the right of Lien.

## **XII. Transfer of shares**

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

(ii) The instrument of transfer shall be in writing and all provisions of Section 56 of the Act and statutory modification thereof for the time being in force shall be duly complied with in respect of all transfers of shares and registration thereof.

(iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

(iv) The registration of a transfer shall be conclusive evidence of the approval of the Board of the transferee.

57. The Board may, subject to the right of appeal conferred by Section 58 of the Act decline to register-

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien.

Provided that the registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons being indebted to the Company in any manner.

58. In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless:-
- (a) the instrument of transfer is in the form as prescribed in sub-section (1) of Section 56 of the Act and the said form is to be used as a common form for transfer of shares;
  - (b) the instrument of transfer 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.
59. Subject to the provisions of the Act, these Articles and any other applicable law for the time being in force, the Directors may, at their own discretion and by giving reasons, decline to register or acknowledge any transfer of Shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 15 (fifteen) days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor a notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.
60. On giving not less than 7 (seven) days' previous notice in accordance with Section 91 of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
61. (i) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.
- (ii) Subject to the provisions of the Act and the foregoing Articles, the provisions relating to transfer shall apply mutatis mutandis to transfer for any other security including debentures of the Company.

### **XIII. Transmission of Shares**

62. (i) On the death(s) of a member, the survivor(s) where the member was a joint holder, and his nominee or legal representative(s) or administrator(s), where he was a sole or any surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
63. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- Nothing in these Articles shall preclude the Board from recognizing renunciation of the allotment of any share by the allottee in favour of some other person.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.
64. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

- (ii) If the person aforesaid shall elect to have another person registered transfer the share, he shall testify his election by executing a transfer of the share in accordance with the provisions of these Articles relating to transfer of shares.
- (iii) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that member.
- (iv) A 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 meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

- 65. (i) No fee shall be payable to the Company, in respect of the registration of transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar document(s), sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- (ii) Subject to the provisions of the Act and the foregoing Articles, the provisions relating to transmission shall apply mututis mutundis to transmission of any other security including debentures of the Company.

#### **XIV. Increase, Reduction and Alteration of Capital**

- 66. Subject to the provisions of the Act and rules made thereunder the Company may, from time to time, increase the share capital by such sum, to be divided into shares of such amount, as may be decided by the Board.
- 67. Subject to the provisions of Section 61, the Company may, –
  - (a) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
 

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.
  - (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 a smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - (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 and diminish the amount of its share capital by the amount of shares so cancelled; and
  - (e) re-classify any or part of un-issued equity shares into preference shares and/or vice versa.

68. 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 Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those Articles shall include “stock” and “stock- holder”, respectively.
69. Subject to the provisions of the Act, the Company may, reduce in any manner and with, and subject to, any incident authorised and consent required by law:
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

## **XV. Capitalisation of Profits**

70. The Company may in General Meeting, on the recommendation of the Board resolve
- (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any reserve account of the Company, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in clause (i) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
71. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (ii), either in or towards—
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to the members of the company as fully paid bonus shares;
  - (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation
72. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall –
- (a) make all appropriations and applications of the undivided profits or sums 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.

- (ii) The Board shall have power –
  - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) also 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 profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares; and
- (iii) any agreement made under such authority shall be effective and binding on such Members.

## **XVI. Buy-back of shares**

73. Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 of the Act and any other applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

## **XVII. General Meetings**

74. An Annual General Meeting shall be held in each calendar year within the timeline prescribed under the applicable law. Not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar of Companies under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the Registered Office or at such other place within the city in which the Registered Office of the Company is situate, as the Board may determine.
75. All general meetings other than the Annual General Meeting shall be called Extraordinary General Meeting.
76. (i) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
- (ii) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members 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.
- (iii) The Board shall on the requisition of such number of member or members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extraordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.
77. A general meeting of the Company may be convened by giving not less than clear 21 days' notice either in writing or through electronic mode in such manner as prescribed under the Act, provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than 95% of the members entitled to vote at such meeting. Notice of every general meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.
78. Any accidental omission to give notice to a Member, or the non-receipt of notice of a Meeting by any Member or other Person entitled to receive such notice shall not invalidate the proceedings of the Meeting.
79. Subject to the provisions of the Act, the Company may in respect of any item of business, other than ordinary business, transact such business by means of Postal Ballot, instead of transacting the same at a General Meeting of the Company. If a resolution is approved by the requisite majority of Members by means of Postal Ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.



## **XVIII. Proceedings at General Meetings**

80. (i) No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
81. The chairperson, if any, of the Board shall preside as chairperson at every general meeting of the Company.
82. If there is no such chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of themselves to be the chairperson of the meeting.
83. If at any meeting, no director is willing to act as the chairperson or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present shall choose one of themselves to be the chairperson of the meeting.

## **XIX. Adjournment of meeting**

84. (i) The chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) In the event a quorum as required herein is not present within 30 minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same day in the next week at the same time and place, or such other date and such other time and place as the Board may determine, provided that the agenda for such adjourned general meeting shall remain the same. The said General Meeting if called by requisitionists under Article 76 herein read with Section 100 of the Act shall stand cancelled.
- (iii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iv) 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.
- (v) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (vi) 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.

## **XX. Voting Rights**

85. 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; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
86. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
87. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.



88. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
89. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
90. No member shall be entitled to vote at any General Meeting either personally or by proxy unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
91. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  
(ii) Any such objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

## **XXI. Proxy**

92. Subject to the provisions of the Act and these Articles, any member of the Company entitled to attend and vote at a general meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself but the proxy so appointed shall have no right to speak at the meeting.
93. Any Corporation which is a member of the Company may by resolution of its Board or other governing body authorize such person as it may think fit to act as its representative at any meeting of the Company or any class of Members of the Company and the person so authorised shall be entitled to exercise the same rights and powers including the right to vote by proxy, through e-voting or by Postal Ballot on behalf of the Corporation which he represents as that Corporation could have exercised if it were an individual member of the Company.
94. The proxy need not be a member of the Company and shall not be entitled to vote except on a poll.
95. Unless otherwise set out in the notice, the instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for taking the poll; and in default the instrument of proxy shall not be treated as valid.
96. An instrument appointing a proxy shall be in the form as prescribed under Section 105 of the Act or the relevant rules made under the Act.
97. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the 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 that no intimation in writing of such 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.

## **XXII. Board of Directors**

98. (i) Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) nor more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors if so determined by a Special Resolution. The Company shall have at the minimum such number of independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable law.  
(ii) Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of directors by rotation.

99. The persons hereinafter named shall become and be the First Directors of the Company:
- (1) SRI MOHAN LALL BHARTIA
  - (2) SRI SHYAM SUNDER BHARTIA
  - (3) SRI PRADIP KUMAR KHAITAN
100. (i) Subject to Section 197 and other applicable provisions of the Act, the remuneration of the Directors shall be determined from time to time by the Board and in so far as it consists of a monthly payment, shall be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to the Directors as determined by the Company in a general meeting in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses incurred by them –
- (a) in attending and returning from Meetings of the Board of Directors or any Committee thereof or General Meetings of the Company; or
  - (b) in connection with the business of the Company.
- If authorized by the Board or a committee thereof as applicable, the Directors may also be remunerated for any extra services rendered by them outside their ordinary duties as Directors, subject to applicable provisions of the Act.
- (iii) Every Director present at any meeting of the Board or a Committee thereof shall sign his name in a book to be kept for that purpose.
101. Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any Committee of the Board, subject to the ceiling prescribed under the Act.
102. A Director shall not be required to hold any qualification shares in the Company.
103. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint any other person as an Additional or Alternate Director provided that the number of the Directors and Additional Directors together, shall not at any time exceed the maximum number fixed as above and any person so appointed as an Additional Director shall retain his office only up to the date of the next Annual General Meeting or last date on which the Annual General Meeting should have been held, whichever is earlier, but shall then be eligible for re-appointment as Director of the Company. Any person so appointed as 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.
104. The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing addressed to the Board and the Company shall intimate the Registrar of Companies and also place the fact of such resignation in the report of Directors laid in the immediately following Annual General Meeting. Such Director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar of Companies within 30 days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later. The Company may, subject to the provisions of Section 169 of the Act and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.
105. At any Annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing a retiring director who is eligible for re-election or some other person in his place if a notice for the said purpose has been left at the registered office of the Company in accordance with the provisions of the Act.

106. 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 at a meeting of the Board which shall be subsequently approved by members in the immediately next general meeting. Provided any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.
107. The Board may from time to time at its discretion, subject to the provisions of Sections 73, 179 and 180 of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company.
108. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
109. (i) In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source ("Lender(s)"), while any money remains due to them or any of them, the Lender concerned may have and may exercise the right and power to appoint, from time to time, any person or persons to be a Director or Directors of the Company ("Nominee Director") on their own behalf and will take all corporate actions to effectuate such right and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act;
- (ii) The Nominee Director(s) may also be appointed a member of Committees of the Board, if so desired by the Lender(s);
- (iii) Any expenditure incurred by the Lender(s) and/ or the Nominee Director(s) in connection with his/their appointment of directorship shall be borne and payable by the Company;
- (iv) The Nominee Director(s) shall be entitled to receive all notices, agenda, etc. and to attend all General Meetings and Meetings of the Board and Meetings of any Committees of the Board;
- (v) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s);
- (vi) The appointment/removal of the Nominee Director(s) shall be by a notice in writing by the Lender(s) addressed to the Company and shall unless otherwise indicated by the Lender(s) take effect forthwith upon such a notice being delivered to the Company;
- (vii) The Nominee Director(s) shall be entitled to all the rights, privileges and indemnities of other Directors including the sitting fees, if any and expenses as are payable by the Company to the other Directors, but if any other fees, commission, moneys or remuneration in any form are payable by the Company to the Directors in their capacity as Directors, the fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Lender(s) and the same shall accordingly be paid by the Company directly to the Lender(s) for their account; and
- (viii) The Nominee Director(s) so appointed shall hold the said office only so long as any monies remain owing by the Company to the Lender(s) and the Nominee Director(s) so appointed in exercise of the said power shall ipso facto vacate such office as and when the moneys owing by the Company to the Lender(s) are paid off.
110. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a Foreign Register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

### XXIII. Proceedings of the Board

111. (i) The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A Director may, and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
- (iii) A minimum number of 4 (four) Board meetings shall be held every year in such a manner that not more than 120 days shall intervene between 2 (two) consecutive meetings of the Board, in accordance with the provisions of the Act.
112. No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher including at least one independent director, and the participation of the Directors by video conferencing or by other audio- visual means or any other means (to the extent permitted under the Act or otherwise provided by the Ministry of Corporate Affairs, Government of India), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.
113. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.
114. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
115. Subject to these Articles and Section 175 of the Act and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of a Committee, shall constitute a valid decision of the Board or Committee thereof, as the case may be, provided that a draft of such resolution together with the information required to make a fully- informed decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members of the committee who are entitled to vote on the resolution.
116. (i) The Board may elect a Chairperson, one or more Co-chairperson/ Vice Chairperson and one and more Deputy Chairperson and determine the period for which they are respectively to hold office.
- (ii) If no such Chairperson be elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairperson of the meeting.
117. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.
- (ii) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
118. (i) A Committee may elect a Chairperson of its meetings.

- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairperson of the meeting.
119. (i) A Committee may meet and adjourn any meeting as it thinks fit.
- (ii) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
120. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards 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.
121. Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act.
122. The Board may, at any time and from time to time, by Power of Attorney under the Seal, appoint any persons to be the Attorney(s) of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under these Articles) and for such period and subject to such conditions as the Board may, from time to time, think fit; any such appointment may, if the Board thinks fit, be made in favour of the officers or any of the officers of any Local Offices established as aforesaid, or in favour of any company or of the members, directors, nominees, or officers of any company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorney(s) as the Board thinks fit and may also authorize any of such attorney(s) to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

#### **XXIV. Minutes**

123. The Board shall, in accordance with the provisions of Section 118 of the Act, cause Minutes to be kept of every General Meeting of the Company and of every meeting of the Board or of every Committee of the Board.
124. Any such Minutes of any meeting of the Board or any Committee of the Board or of the Company in General Meeting, if kept in accordance with the provisions of Section 118 of the Act, shall be evidence of the matters stated in such Minutes. The Minute Books of General Meetings of the Company shall be kept at the Office and shall be open to inspection by Members during the hours of 10 A.M. and 12 noon on such business days as the Act requires them to be kept open for inspection.

#### **XXV. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

125. Subject to the provisions of the Act:–
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
126. An individual may be appointed or re-appointed as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

127. A whole-time director / chief financial officer / company secretary of the Company is severally authorised to sign any document or proceeding requiring authentication by the Company.
128. Any provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **XXVI. Authentication of Documents**

129. Any Director, Manager or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Board, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or account are elsewhere than at the office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.
130. A document purporting to be a copy of a resolution of the Board or an extract from the Minutes of a Meeting of the Board which is certified as such in accordance with the provisions of the Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be that such extract is a true and accurate record of a duly constituted meeting of the Board.

## **XXVII. The Seal**

131. (i) The Board shall provide for the safe custody of the Seal.
- (ii) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and except in the presence of any two Directors, or, by a Director and the Company Secretary, or, one Director or the Company Secretary and such other person as the Board may appoint who shall sign every instrument to which the Seal of the Company is so affixed in his presence.

## **XXVIII. Dividends and Reserves**

132. The Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. No dividend shall be payable except out of the profits of the Company or any other undistributed profits.
133. Subject to the provisions of Section 123 of the Act, the Board may, if thinks fit, from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
- (i) 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 the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
134. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.
  - (iii) 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.
135. The Board may deduct from any dividend or other monies payable to any Member on or in respect of a share, 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.
136. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque, draft or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct or through electronic or other mode of payment as permitted under law from time to time.
- (ii) Every such cheque, draft or warrant shall be made payable to the order of the person to whom it is sent.
137. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
138. 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.
139. No dividend shall bear interest against the Company.
140. The waiver in whole or in part of any dividend on any share by any document (whether or not under Seal) shall be effective only if such document is signed by the Member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
141. Nothing herein shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company.
142. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. Unless otherwise required for compliance with the provisions of the applicable laws, there will be no forfeiture of unclaimed dividends before the claim becomes barred by law.

## **XXIX. Accounts**

143. (i) Subject to the provisions of Section 128 of the Act, the Company shall keep at its Registered Office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the Registered Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days



of the decision file with the registrar of companies a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided under applicable law including provisions of the Act and the rules framed under the Act.

- (ii) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members not being Directors. Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.
- (iii) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.
- (iv) All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions. The Board shall from time to time, in accordance with Sections 129, 134, Schedule III and other applicable provisions of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting such profit and loss accounts, balance sheets, cash flow statements, and other reports and statements as are required under those provisions.
- (v) A copy of the Financial Statements, including every document required by law to be annexed or attached thereto, which are to be laid before the Company in Annual General Meeting together with copy of the Auditors' Report or a statement containing salient features of such documents in the prescribed form, as laid down under Section 136 of the Act, as the Company may deem fit shall, not less than twenty one days before the date of the Meeting, be sent to every person entitled thereto, subject to the provisions of the Act. Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares.
- (vi) The books of accounts of the Company relating to a period of not less than 8 (eight) years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

### **XXX. Audit**

- 144. Once at least in every year the Books of Accounts of the Company shall be examined by one or more Auditor or Auditors.
- 145. The statutory auditors of the Company shall be appointed, their remuneration shall be fixed, rights, duties and liabilities shall be regulated, and their qualifications and disqualifications shall be in accordance with the provisions of Sections 139 to 148 of the Act.
- 146. The Board of Directors may fill up any casual vacancy in the office of the auditors within 30 (thirty) days subject to the provisions of Section 139 and 140 of the Act.
- 147. The remuneration of the auditor(s) shall be fixed by the Company in the Annual General Meeting or in such a manner as the Company in the Annual General Meeting may determine except that, subject to the applicable provisions of the Act, remuneration of the first or any auditor appointed by the Board of Directors may be fixed by the Board of Directors.
- 148. The Company shall also appoint an individual or an accounting firm as the internal auditor to conduct internal audit of the functions and activities of the Company in accordance with the provisions of the Act.



## XXXI. Notices

149. A notice or any other document may be given by the Company to any Member either personally or by sending it by post or courier to him to his registered address or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices or documents to him. Such notice or document may also be sent through electronic mode as prescribed under the Act.
150. If a Member requests for delivery of any notice or document through a particular mode, he shall deposit with the Company a sum sufficient to defray the expenses of such delivery or such fee as may be prescribed from time to time by the Act and as may be determined by the Board.
151. Where a notice or any other document is sent by post, service thereof shall be deemed to be effected by properly addressing, pre-paying and posting such notice or document, and unless the contrary is proved, delivery of such notice or document shall be deemed to have been effected, in the case of a notice of a Meeting, at the expiration of forty-eight hours after the letter containing the same was posted.
152. A notice or any other document advertised in a newspaper shall be deemed to be duly served on the day on which the advertisement appears in the newspaper to every Member of the Company who has no registered address in India and has not supplied to the Company an address within India or an electronic address for the giving of notices or documents to him.
153. A notice or any other document may be given by the Company to the joint holders of a share by giving the notice or document to the joint holder named first in the Register of Members of the Company in respect of such share. A notice or any other document may be given by the Company to the persons entitled to a share in consequence of death or insolvency of a Member by sending it in a prepaid letter or through electronic mode addressed to them by name, or by the title of nominee or representative of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose of the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice or document in any manner in which the same might have been given if the death or insolvency had not occurred.
154. Notice of every General Meeting shall be given in the manner hereinbefore authorised to:-
- (a) every Member of the Company and to every person entitled to a share in consequence of death or insolvency of a Member, who but for his death or insolvency would be entitled to receive notice of the Meeting; and
  - (b) such other persons entitled to receive the notice under the Act.
155. In the event of winding up of the Company, every Member of the Company who is not for the time being in India shall be bound within fourteen days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some house-holder in India upon whom all summons, notices, process, order and judgements in relation to or under the winding up of the Company may be served and in default of such nomination, the Liquidator of the Company shall be at liberty on behalf of such Member, to appoint some other person, and service upon such appointee, whether appointed by the Member or the Liquidator, shall be deemed to be good personal service on such Member for all purposes, and where the Liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such Member in accordance with the Act and Article 150.

## XXXII. Borrowing Powers

156. Subject to the provisions of the Act, to borrow or raise money, with or without security from Financial Institutions, Banks, Financial Corporations, and from any person or persons and other sources, or to receive money on deposit or loan at interest or otherwise in such manner as the Company may think fit and in particular by the issue of debentures, perpetual or otherwise and convertible into shares of this or any other company, convertible Bonds and to secure the repayment of any such money borrowed, raised or received or owing

by the mortgage, pledge, charge or lien upon all or any of the property, assets or revenue of the Company (both present and future) including its uncalled Capital and to borrow unsecured loans/deposits and to give the lenders or creditors the power of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities and also by similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person, firm or company of any obligation undertaken by the Company or any person, firm or company, as the case may be.

157. The Board shall not except with the consent of the Company by way of a Special Resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company, its free reserves and securities premium.
158. Subject to the Act and the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

### **XXXIII. Inspection of Registers And Documents**

159. If prescribed by the provisions of the Act or as authorised by the Board or by the Company in General Meeting, Members (other than Directors) can inspect the documents / registers / records of the Company to be kept or maintained by the Company in physical or electronic form under the provisions of the Act.
160. Further, any Member, beneficial owner, debenture-holder, other security holder or other person entitled to copies of such documents / registers /records, shall be provided copies thereof upon request on payment of such fee as may be prescribed from time to time under the Act and or as may be determined by the Board.

### **XXXIV. Secrecy**

161. Subject to the provisions of the Act, no Member shall be entitled to visit or inspect any work of the Company without the permission of the Board of Directors, Managing Directors or Secretary or to require inspection of any books of accounts or documents of the Company or any discovery of any information or any detail of the Company's business or any other matter, which is or may be in the nature of a trade secret, mystery of secret process or which may relate to the conduct of the business of the Company and which in the opinion of the Board or the Managing Director will be inexpedient in the collective interests of the members of the Company to communicate to the public or any member.
162. Every Director, Manager, Secretary, Auditor, Trustee, Member of Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company will be upon entering his duties pledging himself to observe strict secrecy in respect of all matters of the Company including all transaction with customers, state of accounts with individual and other matters relating thereto and to not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board of Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles and the provisions of the Act.

### **XXXV. Winding up**

163. The Company may be wound up in accordance with the Chapter XX of the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).
- (a) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

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

### **XXXVI. Indemnity**

- 164 Subject to the provisions of the Act, every officer of the Company acting in relation to any of the affairs of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.
165. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel 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 or reasonably.

### **XXXVII. General Authority**

166. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company cannot carry out any transaction unless the Company is so authorized by its Articles then in that case, these Articles hereby authorize and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act.

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

Signatures, Names, Father's Names, Addresses and Occupation of Subscribers.	Number of Equity Shares taken by each subscriber	Signatures, Names, Father's Names, Addresses and Occupations of Witnesses
1. MOHAN LALL BHARTIA Son of Late Nand Lall Bhartia, Industrialist, 3A, Shakespeare Sarani Calcutta - 16	200 (Two hundred)	<p style="text-align: center;"><b>INDRA KUMAR HARLALKA</b>            Son of Late Shree Gopal Harlalka            Service            8, Sova Ram Bysack Street, Calcutta - 70</p>
2. For and on behalf of : Hindustan Wires Ltd. (M.L. BHARTIA) Managing Director 3A, Shakespeare Sarani, Calcutta	100 (One hundred)	
3. SHYAM SUNDER BHARTIA Son of Mohan Lall Bhartia Industrialist 9, Ashoka Road, Calcutta-27	200 (Two hundred)	
4. UMA SHANKAR BHARTIA Son of Mohan Lall Bhartia Industrialist 9, Ashoka Road, Calcutta-27	200 (Two hundred)	
5. For and on behalf of : International Industries (P) Ltd. (U.S. BHARTIA) Director 86/5, Chowringhee Road, Calcutta	100 (One hundred)	
6. GOBIND RAM GOENKA, Son of Late Ganpatrai Goenka, Service, 10/1 Alipur Park Place, Calcutta	200 (Two hundred)	
7. PRADIP KUMAR KHAITAN, Son of Bhagwati Prasad Khaitan, Advocate, 9, Old Post Office Street, Calcutta.	200 (Two hundred)	
	1200 (Twelve hundred)	

Dated, the 25th day of May 1978.