

**(THE COMPANIES ACT, 2013)**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**INDIAN RAILWAY FINANCE CORPORATION LIMITED**

**I. NAME**

The name of the Company is INDIAN RAILWAY FINANCE CORPORATION LIMITED.

**II. REGISTERED OFFICE**

The Registered Office of the Company will be situated in the National Capital Territory (NCT) of Delhi.<sup>1</sup>

**III. OBJECTS**

The objects for which the Company is established are:-

**A.** The objects to be pursued by the Company on its incorporation are:-

1. To finance the Rolling Stock assets such as coaches, carriages, rail cars, containers, trolleys, wagons, locomotives, trawlers, track laying machines, vehicles of all kinds moving on rails, etc and purchase, sell, import, export or otherwise deal in any Rolling Stock assets for the purpose of leasing.
2. To finance all railway assets, movable or immovable, such as railway tracks, sidings, yards, roads, bridges, rails, stations, offices, warehouses, wharves, workshops, plant & machinery, running rooms, ferries, ships, boats, rafts, rail / road equipment, rest houses, institutes, hospitals, water works & water installation systems, staff dwellings, installation of signalling equipment, power generation plants and transmission lines, electrification of railway system, office buildings, other civil structures, etc. and to purchase, acquire, construct itself or through one or more agencies on the land acquired on lease, license, conveyance, easement, right to use or otherwise, or sell or deal in any of the aforesaid assets for the purpose of leasing.
3. To take on lease, license, easement, right of use, conveyance or any other mode and or sub-lease Rolling Stock Assets and Railway Assets, movable or immovable, such as the railway tracks, sidings yards, roads, bridges, rails, stations, offices, warehouses, wharves, workshops, plant & machinery, running rooms, ferries, ships, boats, rafts, rail / road equipment, rest houses, institutes, hospitals, water works & water installation

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<sup>1</sup> Amended by Special Resolution passed at the Annual General Meeting of the Company held on 12<sup>th</sup> September 2017

systems, staff dwellings, installation of signalling equipment, power generation plants and transmission lines, electrification of railway system, other civil structures, etc. and to carry out development, construction, extension or any other activities on such property itself or through one or more agencies or persons on the land acquired on lease, license, conveyance, easement, right to use or otherwise.

4. To finance and to provide financial assistance for those activities which have forward and backward linkages for the railways such as power generation and transmission, mining, fuel, coal, warehousing, telecom, hotels and catering, etc.
5. To finance maintenance of railway assets owned by railways / any other entities or persons.
6. To borrow funds by availing loans, external commercial borrowings, issuance of debentures, debenture stock, bonds, securitization of receivables or through any other instrument / source, unsecured or secured by mortgage, charge, etc. on the undertaking of all or any of the existing and or future assets of the Company by trust deed or any other deed or assurance and on such terms and conditions as may be deemed fit.
7. To provide Share Capital through subscription to equity or preference shares for Railway Joint Ventures / Entities / Body Corporates.
8. To subscribe to the Bonds issued by the Railway Entities and Railway Joint Ventures / Body Corporates.
9. To carry on business of agency, issue guarantee, indemnity, factoring, loan syndication, underwriting of loans and financing of book debts and to undertake obligations of any kind and description.
10. To accept and or place surplus funds in deposits, secured or unsecured with scheduled commercial Banks, State Government / Central Government Companies or Joint Venture Companies / Entities promoted by Railways and other Body Corporates.
11. To promote, organise or carry on consultancy services for Railways and allied sectors.
12. To finance or to provide grants for studies, surveys, schemes, experiments and research activities associated with railways.
13. To invest surplus funds in the Units of Mutual Funds, Shares and Securities of a Body Corporate.
14. To promote and / or incorporate the Debt Fund / Venture Capital Fund for funding of Railway Assets.

15. To implement the developmental programmes initiated by Railway / Government of India for railway sector.<sup>2</sup>

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

1. To pay out of the funds of the Company to the promoters and others, if any, all the costs, charges and expenses with respect to promotion, formation, registration and establishment of the Company and all other expenses and reimbursements of deposits, advances for purchases, for the business of the Company made prior to the incorporation and of business commencement by the Company and all expenses on the issue of its capital including underwriting or other commission, brokers fees and charges in connection therewith, and to remunerate or make donations (by cash or other assets or by the allotment of fully or partly paid shares or by a call or option on shares, debentures, debenture stock or securities of this or any other company or in any other manner whether out of the Company's capital or profits or otherwise) to any person or persons for services rendered or to be rendered in introducing any property or business to the Company or in placing for assisting to place or guaranteeing the subscription of shares, debentures, debenture stock or other securities of the Company or for any other reason which the Company may think proper.
2. To take over, approve, adopt and ratify all steps taken and commitments made for any proposed business of the Company prior to its incorporation and business commencement.
3. To issue any shares of the Company at par, premium or discount or for consideration other than cash.
4. To purchase or otherwise acquire or take over by any method competent in law the goodwill, business, undertaking, trademarks brand names, property, assets and liabilities of any person or company or any part thereof and to conduct and develop or wind up and liquidate such business and purchase and take steps for the acquisition of existing and new licences in connection with any industry or business.
5. Subject to Sections 73, 74, 75, 76, 179 and 180 of the Companies Act, 2013 and the rules made thereunder and the directive of Reserve Bank of India to receive on deposit, borrow or raise money in India and abroad in any manner on interest or otherwise and secure the repayment of moneys so obtained in any manner considered expedient from time to time and in particular by the issue of debentures or debenture stock, perpetual or redeemable, unsecured or charged upon all or any of the Company's property (both present and future) including its uncalled capital and goodwill, and to exchange, vary, extend, purchase, redeem, pay off or reissue from time to time such securities.

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<sup>2</sup> Amended by Special Resolution passed at the Annual General Meeting of the Company held on 12<sup>th</sup> September 2017

6. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, hundies, bills of lading, warrants, debentures and other negotiable or transferable instruments.
7. To arrange, accept, lend money for direct or indirect benefit of the Company.
8. To aid financially or otherwise anybody corporate whose shares or capital stock, bonds or other securities or evidence as of indebtedness held by the Company, to subscribe for and endorse the stocks, bonds, debentures, notes, securities or undertakings of any such body corporate and to execute any guarantee in connection therewith or otherwise or for the payment of money or for the performance of any obligation or undertaking and to do any and all acts or things designed to protect, preserve, improve and enhance the value of any shares, stocks, bonds or other securities or evidences of indebtedness held by the Company.
9. To establish, run and maintain sales and marketing organisations and to popularise the use and create markets for and to effect sales of any manufactures, products, merchandise or goods.
10. To appoint agents, dealers, distributors, brokers, auctioneers or otherwise.
11. To act as agents, brokers or trustees for any person or company and to undertake and perform subcontracts either alone or jointly with others or by or through any sub-agents, sub-contractors, trustees or otherwise.
12. Subject to Sec.180 of the Act to sell, let, lease, exchange, surrender, accept surrender of lease, charge, redeem, dispose of or grant rights over all or any of the property, assets or undertaking of the Company for cash or kind including shares, stocks, debentures or other securities of any other company for any consideration whatsoever.
13. To improve, manage, develop, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
14. To enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture, reciprocal concessions or otherwise with the Government of India or any State Government or any municipal or local authority, partnership, person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction, which the Company is authorised to carry on or engage in any business or transaction capable of being conducted so as to directly or indirectly benefit the Company.
15. To enter into any arrangements with any Government or authorities, supreme, municipal, local or otherwise that may seem conducive to the Company's objectives

or any of them and to obtain from any such Government or authority any rights, privileges or concessions and to carry exercise or comply with any such arrangements, rights, privileges or concessions.

16. To explain, negotiate and enter into any arrangement for promotion, acquisition or undertaking of any industry or business for direct or indirect benefit of the Company.
17. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences, calculated to benefit employees or ex-employees of the Company or its predecessors in business, or the dependents or connections of such persons or constituents of the Company and to provide them with any grants, pensions and allowances and to make payments towards insurance for their benefit.
18. To make gifts to any individual, family or association of persons calculated to bring any benefit, direct or indirect, to the Company or otherwise.
19. To provide and maintain places, facilities and conveniences for the welfare and benefit of the employees or constituents of the Company or for the persons in the locality of the Company's operations or otherwise for the public benefit including places of amusement and recreation, places of worship, pleasure gardens, parks, grounds, reading rooms, markets, stores, shops, dairies and other public places of convenience.
20. To subscribe to, establish or otherwise aid or support (in cash or kind) or guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects or objects of a public character, or which have any moral or other claim to support or aid by the Company by reason of the locality of its operations or otherwise or for any exhibition or for any public, general or useful object or otherwise and to grant relief or make donations to such persons and in such cases as may seem expedient.
21. To foster, assist, promote or encourage in any manner anywhere scientific, economic, commercial, social, technical, literary, cultural or any other research work and public books, periodicals, reports, pamphlets, journals, magazines, theses, research papers, discourses, or make or take cinefilms, plates, picture, paintings and slides and to have and operate any process, devices or other accessories for such or similar purposes.
22. To do all or any business or activity or deal in any goods of any description whatsoever as principal, agent distributor, importer, exporter or otherwise and establish any purchasing, selling or distributing organisation or agency anywhere in India or any other country.

23. Subject to Section 230 to 234 of the Act to amalgamate with any other company having objects similar to the Company.
24. To enter into any compromise or arrangement with its members or any class of them or with the creditors or any class for any purpose whatsoever or in connection with a scheme for reconstruction or amalgamation with any other company or companies.
25. To establish, promote, concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights, assets and liabilities of the company or for undertaking any other industry or business and to place or guarantee the placing of or to underwrite, subscribe or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.
26. To take any steps in respect of any legislation or proposed legislation or for any proceedings or applications which may directly or indirectly be in the interest of the Company or its shareholders.
27. To negotiate for, establish and carry on any trading activity or operation in any material or commodity whatsoever.
28. To promote and form companies and/or subsidiaries or organise other concerns, either solely or in partnership with or alongwith others and incur any expenses therefor including expenses for exploration, negotiation and establishment of any industry or business by such other entity or the Company itself or jointly.

#### **IV. LIABILITY**

The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.<sup>3</sup>

#### **V. SHARE CAPITAL**

The Authorized Share Capital of the Company is Rs. 25,000,00,00,000/- (Rupees Twenty Five Thousand Crore) divided into 2500,00,00,000 (Two Fifty Hundred Crore) Equity Shares of Rs. 10/- (Rupees Ten) each, with power to increase, modify and reduce or consolidate or re-classify the share capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified, or special rights, privileges or conditions as may determined under the provisions of the Companies Act 2013(including any statutory

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3. Amended by Special Resolution passed at the Annual General Meeting of the Company held on 12<sup>th</sup> September 2017.

modifications or re-enactment thereto) or any other applicable Act(s), Rule(s) and Regulation(s) etc.<sup>4</sup>

We, the several persons, whose names are mentioned below are desirous of being formed into a company in accordance with this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

Name, Description, Occupation and Address of each subscriber	No. of Equity Shares taken by subscribers	Signature of each subscriber	Name, Address, Description, Occupation, and Signatures of Witness or Witnesses
<p><b>1. Prakash Narain</b> S/o. Late Shri Narsingh Narain Resident of 25, Chanakyapuri, New Delhi Govt. Service, Aged 58 Yrs. On behalf of President of India</p>	One	Sd/-	<p><b>I hereby Witness Signatures of all the Subscribers</b></p> <p><b>Sd/-</b></p> <p><b>(Om Prakash Chandra Jain) Chartered Accountant</b></p> <p><b>S/o. Late Shri Asharfi Lal Jain</b></p> <p><b>Resident of D-124, Saket, New Delhi - 110017.</b></p>
<p><b>2. Prakash Narain</b> S/o. Late Shri Narsingh Narain Resident of 25, Chanakyapuri, New Delhi Govt. Service, Aged 58 Yrs.</p>	One	Sd/-	
<p><b>3. Srinivasa Ramaswamy</b> S/o. Late Shri R. Srinivasa Ayyangar Resident of C- 11/54, Moti Bagh, New Delhi. Govt. Service, Aged 57 Yrs.</p>	One	Sd/-	
<p><b>4. Saroj Kumar Mitra</b> S/o. Late Shri M.N. Mitra Resident of Suite No. 3, Rly. Officers Rest House, State Entry Road, New Delhi. Govt. Service, Aged 53 Yrs</p>	One	Sd/-	
<p><b>5. Satish Mohan Vaish</b> S/o. Late Miuhan Lal Vaish Resident of 14, Rly. Colony, Sardar Patel Marg, New Delhi - 110 021. Govt. Service, Aged 53 Yrs.</p>	One	Sd/-	

4. Amended by a Special Resolution passed at the Annual General Meeting of the Company held on 30<sup>th</sup> September 2020.

<p><b>6. Raj Kumar Jain</b> S/o. Late Shri Moti Lal Jain, Resident of C11/80, Bapa Nagar, New Delhi - 110 003. Govt. Service, Aged 55 Yrs.</p> <p><b>7. Rameshwar Prasad Singh</b> S/o. Late Shri SurajNath Singh Resident of 1, Chelmsford Road, New Delhi- 110 055. Govt. Service, Aged 57 Yrs.</p> <p><b>8. Amar NathWanchoo</b> S/o. Dr. Kailash NathWanchoo Resident of Banglow No.2, Northern Rly. Officers Colony, S.P. Marg, New Delhi. Govt. Service, Aged 56 Yrs.</p>	<p>One</p> <p>One</p> <p>One</p>	<p>Sd/-</p> <p>Sd/-</p> <p>Sd-</p>	
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Dated the 10<sup>th</sup> day of December, 1986.

Place: New Delhi



THE COMPANIES ACT, 2013<sup>5</sup>

## COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION****OF****Indian Railway Finance  
Corporation Limited****1. INTERPRETATIONS**

(a) In the interpretation of these Articles, unless repugnant to the subject or context:

Act / the Act	Means the “Companies Act, 2013” and includes any other statutory modification or re-enactment thereof for the time being in force and the Rules made thereunder.
Annual General Meeting	Means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.
Applicable Law	Means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time.
Articles	Means these Articles of Association of the Company, for the time being in force.
Auditors	Means and include those persons appointed as such under the provisions of the Act.
Beneficial Owner	Means and include beneficial owner as defined in clause (a) sub-section (1) of Section 2 of the Depositories Act, 1996 or such other act as may be applicable.
Board Meeting	Means a meeting of the Board of Directors duly called and constituted.
Board or Board of Directors	Means the Board of Directors for the time being of the Company.
Capital	Means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
Chairman	Means the Chairman of the Board of Directors for the time being of the Company.
Committee	Means any committee of the Board of Directors of the Company formed as per the requirements of Act or for any other purpose as the Board may deem fit.
Company or This Company	Means "Indian Railway Finance Corporation Limited".

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<sup>5</sup>Adopted by Special Resolution passed at the Annual General Meeting of the Company held on 12<sup>th</sup> September 2017

Debenture	Includes debenture-stock, bonds and any other debt securities of the Company, whether constituting a charge on the assets of the Company or not.
Depositories Act	Means the Depositories Act, 1996 and includes any statutory modification or enactment thereof.
Depository	Means a Depository as defined in clause (e) sub-section (1) of Section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
Director	Means the director of the Company for the time being, appointed as such in accordance with the Applicable Law.
Dividend	Includes interim dividend.
Extraordinary General Meeting	Means an extraordinary general meeting of the Members duly called and constituted and any adjourned meeting thereof.
Electronic Mode	Means electronic medium of communication including video conferencing or other audio-visual means or other electronic communication facility capable of being recorded, as may be applicable and electronic medium of payment such as RTGS, ECS, NEFT or such other medium as may be permitted by the Reserve Bank of India from time to time.
Financial Year	Means the same as in section 2(41) of the Act.
Government	Means either Central Government or any other Government of the States of India.
Government Company	Means a government company as defined in the Act.
In writing or written	Means and include printing, typing, lithographing, computer mode and other modes of reproducing words in visible form.
General Meeting/ General Meetings	Means a meeting of Members.
Managing Director	Means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.
Members or Shareholders	Means the subscribers to the Memorandum of Association of the Company and duly registered shareholders from time to time of the Company whose name is entered in the Register of Members of the Company and shall include in case of shares held by a Depository, the Beneficial Owner(s) whose names are recorded as such with the Depository and entered in the Register of Beneficial Owners as Beneficial Owner.
Month	Means a calendar month.
Office	Means the registered office of the Company
Ordinary Resolution	Means a resolution referred to in Section 114 of the Act.

Paid up capital	Means the Capital which is paid up presently.
Persons	Includes any artificial judicial person, corporations and firms as well as individuals.
Postal Ballot	Means voting by post through postal papers and shall include voting by Electronic Mode or as any other mode as permitted under Applicable Law.
President	Means the President of India, or his nominees or representatives.
Register of Beneficial Owners	Means the register of Members in case of shares held with a Depository in any media as may be permitted by law, including in any form of electronic mode.
Register of Members	Means the register of members, including any foreign register which the Company may maintain pursuant to the Act and includes Register of Beneficial Owners and Index of Beneficial Owner maintained by the Depository under the Depositories Act.
Registrar	Means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated.
Seal	Means the common seal of the Company, if any.
Section	Means the relevant section of the Act, and shall, in case of any modification or re-enactment of the Act, shall be deemed to refer to any corresponding provision of the Act as so modified or re-enacted or the corresponding provisions of the erstwhile Act, wherever applicable.
Security or Securities	Means shares, debentures and/or such other securities as may be treated as securities under Applicable Law.
Shares	Means the shares into which the Capital of the Company is divided whether held in tangible or fungible form.
Special Resolution	Means a resolution referred to in Section 114 of the Act.
These Presents	Means these Articles of Association of the Company, as altered from time to time and includes the Memorandum of Association where the context so requires.

- (b) Words importing the masculine gender also include the feminine gender.
- (c) Words importing the plural number also include the singular number and vice versa.
- (d) Term(s) and phrase(s) not specifically defined in these Articles shall bear the same meaning as assigned to it in the Act.
- (e) “Marginal Notes” and “Catch Lines” hereto shall not affect the construction thereof.
- (f) Only capitalized words used in the Articles shall have meanings set forth above and non-capitalized terms shall have meaning as is understood in commercial parlance.

**TABLE F NOT TO APPLY**

2. The regulations in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except so far as the same are repeated or contained in or expressly made applicable by these Articles or by the Act.

### **COMPANY TO BE GOVERNED BY THESE ARTICLES OF ASSOCIATION**

3. The regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject as aforesaid and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its Articles of association by Special Resolution as prescribed or permitted by the Act be such as are contained in these Articles.

### **COMPANY IS A PUBLIC COMPANY**

4. The Company is a Public Limited Company within the meaning of Section 2(71) of the Act.

### **ARTICLES TO BE CONTEMPORARY IN NATURE**

5. The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations, allowing what was not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.

### **SHARE CAPITAL AND ALTERATION OF SHARE CAPITAL**

#### **Authorised Capital**

6. The Authorised Share Capital of the Company shall be as specified in Clause V of the Memorandum of Association of the Company.

#### **Shares at the disposal of the Directors**

7. Subject to the provisions of Section 62 of the Act and other applicable provisions of the Applicable Law and these Articles, the Shares and Securities of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such person, 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 and to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Board thinks fit, and may issue and allot Shares in the Capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business

and any Shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Provided that option or right to call of Shares shall not be given to any person or persons except with the sanction of the Company in General Meeting..:

#### **Increase of Capital by the Company and how carried in to effect**

8. Subject to the approval of the President, the Company may in General Meeting from time to time increase its authorized capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. Such increase shall be of such aggregate amount and to be divided into such Shares of such respective amounts, as the resolution for the same shall prescribe. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Board shall comply with the provisions of Section 64 of the Act.

#### **New capital part of the existing capital**

9. Except in so far as otherwise provided in the conditions of issue of Shares by These Presents, any Capital raised by the creation of new Shares shall be considered as part of the then existing Capital, and shall be subject to provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

#### **Redeemable Preference shares**

10. Subject to the provisions of Section 55 of the Act and Applicable Law, the Company may issue preference shares from time to time, on the terms that they are redeemable within 20 years from the date of issue and such other terms as may be decided at the time of issue. Further,
  - (a) such preference shares shall always rank in priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares;
  - (b) the Board may decide on the participation of preference shareholders in the surplus dividend, type of preference shares issued whether cumulative or otherwise, and conversion terms into equity, if any;
  - (c) The Board may decide on any premium on the issue or redemption of preference shares.

- (d) No such Share shall be redeemed except out of the profits of the Company, which would otherwise be available for Dividend, or out of the proceeds of a fresh issue of Share made for the purpose of the redemption. No such Share shall be redeemed unless they are fully paid. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.
- (e) Such preference Shares shall be redeemed only on the terms on which they were issued or as varied after due approval of preference shareholders under Section 48 of the Act.
- (f) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in Section 66 of the Act, apply as if the Capital Redemption Reserve Account were paid-up Share Capital of the Company.
- (g) Register of Member maintained under Section 88 shall also contain the particulars in respect of such preference shareholders.

### **Provisions applicable to any other Securities**

11. The Board shall be entitled to issue, from time to time, subject to Applicable Law and such directions as may be issued by the President in this behalf, any other Securities, including Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached Securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue. Such Securities may be issued at premium or discount, and redeemed at premium or discount, as may be determined by the terms of the issuance:

Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.

### **Reduction of Capital**

12. The Company may (subject to the provisions of Sections 52, 55 and 66 of the Act or any other applicable provisions of law for the time being in force and such directions as may be issued by the President in this behalf) from time to time by way of Special Resolution reduce its share capital, any capital redemption reserve account or share premium account in any manner for the time being authorised by Applicable Law.

**Sub-division, consolidation and cancellation of shares**

13. Subject to the approval of the President and provisions of Section 61 of the Act and such directions as may be issued by the President in this behalf, the Company in General Meeting may from time to time (a) sub-divide and consolidate its Shares into shares of a larger amount than the existing Shares, or any class of them, and (b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum and the resolution whereby any share is sub-divided, or classified, may determine that, as between the holders of the Shares resulting from such sub-division or classification, one or more of such Shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the other or subject nevertheless, to the provisions of the Act.

Subject as aforesaid, the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its share Capital by the amount of the Shares so cancelled.

**Modification of rights**

14. Whenever the Capital (by reason of the issue of Preference Shares or otherwise) is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Act, be varied with the consent in writing by holders of at least three-fourths of the issued shares of that class or is confirmed by a special resolution passed at a separate Meeting of the holders of Shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such class Meeting, except that the quorum thereof shall be in accordance with Section 103 of the Act.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

15. This Article is not to derogate any power of the Company which it would have if it were omitted.

**Further issue of capital**

16. Subject to the provisions of Section 62 of the Act and Applicable Law, where at any time it is proposed to increase the subscribed Capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid-up on those shares at the date by sending a letter of offer subject to the following conditions, namely:
- (a) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty)

days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined

- (b) the offer aforesaid shall be deemed-to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause a. above shall contain a statement of this right;
  - (c) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company
17. Notwithstanding anything contained in the Article 16 and subject to the provisions of section 62 of the Act and other Applicable Law, the further shares aforesaid may be offered in any manner whatsoever, to:
- (a) employees under a scheme of employees' stock option scheme subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under the Law
  - (b) to any persons, 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 so decided by a special resolution, as per Applicable Law if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.
18. Nothing in Articles 16 and 17 shall apply to the increase of the subscribed Capital of the Company caused by the exercise of an option attached to the Debenture issued by the Company to convert such Debentures or loans into shares in the Company or to subscribe to shares in the Company.

Provided that the terms of issue of such Debentures or the terms of such loans containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in General Meeting.

**Power to issue shares/ GDR etc. outside India**

19. Pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Act, and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and/or any other authorities or institutions as may be relevant (hereinafter collectively referred to as the "Appropriate Authorities") and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions,



the Company will be entitled to issue and allot in the international capital markets, Equity Shares and/or any instruments or securities (including Global Depository Receipts) representing Equity Shares, any such instruments or securities being either with or without detachable Warrants attached thereto entitling the Warrant holder to Equity Shares/instruments or securities (including Global Depository Receipts) representing Equity Shares, (hereinafter collectively referred to as the “Securities” for the purpose of this Article) to be subscribed to in foreign currency / currencies by foreign investors (whether individuals and/or bodies corporate and/or institutions and whether shareholders of the Company or not) for an amount, inclusive of such premium as may be determined by the Board. Such issue and allotment to be made on such occasion or occasions, at such value or values, or at a premium and in such form and in manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with Lead Manager and/or Underwriters and/or Legal or other Advisors, or as may be prescribed by the appropriate authorities while granting their approvals, permissions and sanctions as aforesaid which the Board be and is hereby authorized to accept at its sole discretion.

#### **Acceptance of shares**

20. Any application signed by or on behalf of an applicant, for Shares in the Company, followed by an allotment of any Share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts Shares and whose name is on the Register of Members shall for the purpose of these Articles, be a member.

#### **Deposit and call to be a debt payable immediately**

21. The money (if any) which the Board shall, on the allotment of any Share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any Shares allotted by them shall, immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by the allottee accordingly.

#### **Liability of Members**

22. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the Capital represented by his Share(s) which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company’s regulations, require or fix for the payment thereof.

#### **Shares not to be held in trust**

23. 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 regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

**The first named joint holder deemed to be sole holder**

24. If any Share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any earlier matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such Shares for all incidents thereof according to the Company's regulations.

**Company not bound to recognize any interest in Share other than that of registered holder**

25. Except as ordered by a Court of competent jurisdiction, or as by per the Applicable Law , the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any Share, or (except provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion upon presentation of relevant documents and on being convinced, to register any Share in the joint names of any two or more persons or the survivor or survivors of them.

**Register of Members and Index**

26. The Company shall maintain a Register of Members and index in accordance with Section 88 of the Act and the provisions of the Depositories Act, 1996. The details of Shares held in physical or dematerialized forms may be maintained in a media as may be permitted by law including in any form of electronic media.
27. A Member, Debenture holder, other Security holder or Beneficial Owner may make inspection of Register of Members, Foreign Registers and Annual Return.
28. Any person other than the Member or debenture holder or Beneficial Owner of the Company shall be allowed to make inspection of the Register of Members and annual return on payment of Rs. 50/-or such higher amount as permitted by Applicable Law and as the Board may determine for each inspection for each inspection.
29. Inspection may be made during business hours of the Company during such time, not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time.
30. Any Member or debenture holder or any Beneficial Owner of the Company or any other person may be allowed to make copies of the Register of Members or any other register maintained by the Company and annual return on payment of Rs.10/- for each

page or such higher amount as permitted under Applicable Law from time to time, as the Board may determine.

### **Foreign Registers**

31. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register containing the names and particulars of the Members, Debenture- holders, other Security holders or Beneficial Owners residing outside India and the Board may(subject to the provisions of that Section) make and vary such regulations as it may think fit in respect of the keeping of any such foreign register.

## **SHARES CERTIFICATES**

### **Right of Member or Debenture Holder to certificate**

32. Every Member other than a Beneficial Owner shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more of such Shares and the Company shall complete and have ready for delivery of such certificates within such time permissible under Applicable Law from the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares, as the case may be.
33. Every certificates of Share shall be under the Seal of the Company and shall specify the name(s) of the person(s) in whose favor the certificate is issued, number and distinctive number of Share in respect of which it is issued and the amount paid-up thereon and shall be in such form as prescribed under the Act and as may be approved by the Board, provided that in respect of Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of such certificate of Shares to one of the several joint holders shall be a sufficient delivery to all such holders.
34. Except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered share certificate shall continue to bear the number by which the same was originally distinguished.

Provided that in case of Securities held by a Member / Bond / Debenture holder in dematerialized form, no Share / Bond / Debenture Certificate shall be issued and the provision relating to progressive numbering of shares shall not apply to the Shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form.

35. No certificate of any Share(s) shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old,

decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilized unless certificates in lieu of which it is issued is surrendered to the Company.

**Issue of New Certificate in Place of One Defaced, lost or Destroyed**

36. If any certificate be worn out, defaced, mutilated, old/ 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, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued, in case of splitting or consolidation of share certificate(s) or in replacement of share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out without payment of fees.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf.

The provisions of this article shall apply *mutatis mutandis* to the debentures/ bonds etc. issued by the Company.

37. The particulars of new certificates issued pursuant to clause (i) shall be entered in a Register of Renewed and Duplicate Share Certificates maintained in such form as prescribed under Applicable Law. The register shall be kept at the Registered Office of the Company or at such other place where the Register of Members is kept and it shall be preserved permanently and shall be kept in the custody of the Company Secretary of the Company or any other person authorized by the Board for the purpose. All entries made in the Register of Renewed and Duplicate Share Certificates shall be authenticated by the Company Secretary or such other person as may be authorised by the Board for the purposes of sealing and signing the share certificate under the provisions of Applicable Law.
38. The provision of this Article shall *mutatis mutandis* apply to issue of certificates of debentures of the Company.

## **BUY BACK OF SECURITIES BY THE COMPANY**

39. The Company shall have power, subject to and in accordance with the provisions of Sections 68 to 70 of the Act and the Rules made thereunder and the Applicable Law as prescribed by Securities and Exchange Board of India (SEBI) or any other applicable provision of the Act and other Applicable Law for the time being in force, to purchase any of its own Shares or other specified Securities. The powers conferred herein may be exercised by the Board, at any time and from time to time, where and to the extent permitted by Applicable Law, and shall be subject to such rules or approvals as required.

## **UNDERWRITING AND BROKERAGE**

### **Commission may be paid**

40. Subject to the provisions of Section 40(6) of the Act and the Rules made thereunder, and subject to the applicable SEBI guidelines and subject to the terms of issue of the Shares or debentures or any other Securities, as defined in the Securities Contract (Regulations) Act, 1956, the Company may at any time pay a commission out of proceeds of the issue or profit of the Company or both to any person in consideration of his subscribing or agreeing to subscribe (whether absolute or conditional) for any Shares or other Securities of the Company, or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares or other Securities of the Company but so that the commission shall not exceed such rates as may be fixed by the Board within the overall limit prescribed under the Act or Securities and Exchange Board of India Act, 1992. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid Shares or other Securities or partly in one way and partly in the other.

### **Brokerage**

41. The Company may, subject to Applicable Law, pay a reasonable and lawful sum for brokerage as sanctioned by the Board of Directors.

## **CALL ON SHARES**

### **Directors may make calls**

42. The Board of Directors may, from time to time and subject to the terms on which any Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board or otherwise as permitted by Applicable Law, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments.

43. The option or right to make calls on Shares shall not be given to any person except with the sanction of the Company in General Meeting.

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.

#### **Notice of calls**

44. Each Member shall, subject to receiving at least fourteen days' notice specifying the time and place of payment, pay to the Company the amount called on the Share. A call may be revoked or postponed at the discretion of the Board.

#### **Directors may extend time**

45. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members for a cause, the Board may deem fairly entitled to such extension, but no such Member shall be entitled to such extension save as a matter of grace and favour.

#### **Calls to carry interest**

46. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as the Board of Directors may determine. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

#### **Sums deemed to be calls**

47. Any sum, which may 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 the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

#### **Proof on trial of suit for money due on Shares**

48. At the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member, in respect of whose Shares the money is sought to be recovered appears entered in the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of such money is sought to be recovered, that the resolution making

the call is duly recorded in the Minute Book, and that notice of such call was duly given to the Member or his representatives sued in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

#### **Partial payment not to preclude forfeiture**

49. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

#### **Payment in anticipation of call may carry interest**

50. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Board may pay interest at such rate not exceeding the rate as may be agreed upon between the Board and the Member, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend.
51. The Directors may at any time repay the amount so advanced. The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

#### **Applicability on Debentures**

52. The provisions of Articles 45 to 55 shall *mutatis mutandis* apply to the calls on Debentures of the Company.

### **LIEN**

#### **Company to have lien on shares**

53. The Company shall have a first and paramount lien upon all the Shares (other than fully paid-up Shares)/ Securities registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares and no equitable interest in any Share shall be created except upon the footing and condition that that this Article will have full effect and any such lien shall extend to all Dividends and bonuses from time to time declared in respect of such Shares.

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

54. The Board may at any time declare any Shares wholly or in part to be exempt from the provision of the aforesaid clause.

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

#### **As to enforcing lien by sale**

55. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their Member to execute a transfer thereof on behalf of and in the name of such Member. The purchaser of such transferred Shares shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
56. No sale shall be made unless a sum in respect of which the lien exists is presently payable or 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 served on such registered holder for the time being of the Share or to his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

#### **Application of proceeds of sale**

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

#### **Applicability on Debentures**

58. The provisions of Articles 57 to 61 shall *mutatis mutandis* apply to the lien on Debentures of the Company.

### **FORFEITURE OF SHARE**

#### **If call or installment not paid notice may be given**

59. If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the



Board may at any time thereafter during such time as the call or installment remains unpaid, serve notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

**Form of notice**

60. The notice 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.
- (b) shall detail the amount which is due and payable on the shares and shall state that in the event of non-payment at or before the time appointed the shares will be liable to be forfeited.

**If notice not complied with Shares may be forfeited**

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

**Notice after forfeiture to a member**

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

**Forfeited share to become property of the company**

63. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same on such terms and in such manner as it may think fit.

**Power to cancel forfeiture**

64. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

**Liability on forfeiture**

65. A person whose Share has been forfeited shall cease to be a Member in respect of the forfeited Share, but shall notwithstanding the forfeiture, remain liable to pay, and shall forthwith pay to the Company on demand, all calls, or installment, interest and

expenses, owing in respect of such Share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. 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.

#### **Effect of forfeiture**

66. The forfeiture of a Share involve extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the Share and all other rights, incidental to the Share except only such of those rights as by these Articles are expressly saved.

#### **Evidence of forfeiture**

67. A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary of the Company, and that certain Shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares and such declaration and the receipt of the Company for the consideration, if any, given for the Shares on the sale or disposition thereof shall constitute a good title to such Shares and the person to whom the Shares are sold shall be registered as the holder of such Shares and shall not be bound to see to the application of the purchase money, nor shall his title to such Shares be affected by any irregularity in the proceedings in reference to such forfeiture, sale or disposition.

#### **Cancellation of share certificate in respect of forfeited shares**

68. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.

#### **Transfer of forfeited Shares**

69. 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 and the transferee shall thereupon be registered as the holder of the Share and 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.

**These Articles to apply in case of any non-payment of a sum**

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

**EMPLOYEES STOCK OPTIONS**

71. Subject to the provisions of section 62 of the Act and Applicable Law, the Company may issue options to its Directors, not being an Independent Director, officers, or employees of the Company, its subsidiaries or its parent, which would give such Directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the Securities offered by the Company at a predetermined price, in terms of schemes of employee stock options or employees share purchase or both.

**POWER TO ISSUE SWEAT EQUITY SHARES**

72. Subject to and in compliance with Section 54 of the Act and other Applicable Law, the Company may issue equity Shares to its employees or Directors at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

**PRIVATE PLACEMENT/ PREFERENTIAL ALLOTMENT**

73. Subject to the provisions of Section 62 the Act, read with the conditions as laid down in the Applicable Law, and if authorized by a Special Resolution passed in a General Meeting, the Company may issue shares, in any manner whatsoever, by way of a preferential offer or private placement to any person or persons or body corporate etc. for cash or for a consideration other than cash. Such issue on preferential basis or private placement should also comply with the conditions as laid down in Section 42 of the Act and/or Applicable law.

**CAPITALISATION OF PROFITS**

74. The Company in General Meeting may, upon the recommendation of the Board, resolve—
- (a) that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or reserves, or any Capital Redemption Reserve Account, or in the hands of Company and available for Dividend or representing premiums received on the issue of Shares and standing to the credit of the Securities Premium Account be capitalised and

distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of Dividend and in the same proportions on the footing that they become entitled thereto as Capital; and

- (b) that the sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 79, either in or towards—
  - i. paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
  - ii. paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
  - iii. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b) above;
  - iv. such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum;

Provided that any sum standing to the credit of a Securities Premium Account and a Capital Redemption Reserve Account and the free reserves may, for the purposes of this Article, be applied in the paying up of unissued Share to be issued to Members of the Company as fully paid up bonus Share;

- 75. The Board shall give effect to the resolution passed by the Company in pursuance of Article 74.
- 76. Whenever such a resolution as aforesaid under Article 74 shall have been passed, the Board shall—
  - (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares if any; and
  - (ii) generally do all acts and things required to give effect thereto.
- 77. A General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, be distributed among the members on the footing that they receive the same as Capital.

78. 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) 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;
- (c) Any agreement made under such authority shall be effective and binding on such members.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **Instruments of transfer**

79. The instrument of transfer shall be in common form and in writing and all provision of Section 56 of the Act and any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof.

### **To be executed by transferor and transferee**

- 80. Save as provided in Section 56 of the Act and other applicable law, no transfer of Securities shall be registered unless a proper instrument of transfer duly stamped, dated and executed by or on behalf of both the transferor and the transferee has been delivered to the Company or its Registrars within the period prescribed under the Act together with the certificate or, if no such certificate is in existence, the Letter of Allotment of the Shares. The instrument of transfer of any Share shall specify the name, address and occupation (if any) of the transferee, and the transferor shall be deemed to remain the holder of such Share until the name of the transferee is entered in the Register of Member in respect thereof.
- 81. The Board shall not issue or register a transfer of share in favor of a minor (except in cases when they are fully paid up) or to any person who is insolvent, lunatic or of unsound mind.
- 82. Application for the registration of the transfer of a Share may be made either by the transferee or the transferor. However, where an application is made by the transferor alone and relates to partly paid Share, no registration shall be affected unless the

Company gives notice of the application to the transferee subject to the provisions of these Articles and Section 56 of the Act and/or Applicable Law, unless no objection is made by the transferee within two weeks from the date of receipt of the notice. The Company shall after receipt of such no objection enter in the Register the name of transferee in the same manner and subject to the same conditions as it the application for registration of the transfer was made by the transferee.

#### **Transfer books when closed**

83. The Board shall give previous notice of at least seven days or such lesser period as may be specified by Securities and Exchange Board of India, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situated, in accordance with Section 91 of the Act and the rules made thereunder and Applicable Law, to close the transfer books, the Register of Members, Register of Debenture holders or the Register of other security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

#### **Directors may refuse to register transfer**

84. Subject to the provisions of Section 56 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Law for the time being in force, the Board may, in the interest of the Company or in pursuance of any power of the Company under Applicable Law, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Member in the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

Provided that the registration of a 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 where the Company has a lien on Shares.

85. The Board may, subject to the right of appeal conferred by Section 58 of the Act and other Applicable Law, 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.

86. The Board may decline to recognise any instrument of transfer unless—
- (h) the instrument of transfer is in the form as prescribed in rules made under subsection (1) of Section 56 of the Act;
  - (i) 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
  - (j) the instrument of transfer is in respect of only one class of Shares.
87. The Company shall not register the transfer of its securities in the name of the transferee(s) when the transferor(s) objects to the transfer: Provided that the transferor serves on the Company, within sixty working days of raising the objection, a prohibitory order of a Court of competent jurisdiction.
88. The board of directors of the Company may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s). Provided further that the delegated authority shall report on transfer of securities to the board of directors in each meeting

#### **Directors to recognize Beneficial Owners of Securities**

89. Notwithstanding anything contained in the Act or in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.
90. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its Securities held by a Depository.
91. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the Securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

## **Nomination**

92. Every holder of Shares in, or debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder.
93. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the Shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
94. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such Shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the Shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.
95. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the Shares in or Debentures of the Company, in the event of his death, during the minority.

## **Transmission in the name of nominee**

96. Any person becoming entitled to Shares or Debentures in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or the marriage of a female Member, or by any lawful means other than by a transfer in accordance with These Presents, may with the consent of the Board and subject as hereinafter provided, elect, either:
  - (a) to be registered himself as holder of the Shares or Debentures, as the case may be; or
  - (b) to make such transfer of the Shares or Debentures, as the case may be, as the deceased shareholder or debenture holder, could have made.

Provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.



97. 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.
98. If the nominee, so becoming entitled, elects himself to be registered as holder of the Shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder and the certificate(s) of Shares or Debentures, as the case may be, held by the deceased in the Company.
99. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
100. All the limitations, restrictions and provisions of these regulations 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.
101. Subject to the provisions of Section 56 of the Act and these Articles, the Board may register the relevant Shares or Debentures in the name of the nominee of the transferee as if the death of the registered holder of the Shares or Debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.
102. A nominee on becoming entitled to Shares or Debentures by reason of the death of the holder or joint holders shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such Shares or Debentures, be entitled in respect of them to exercise any right conferred on a Member or Debenture holder in relation to meetings of the Company.
103. The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Shares or Debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonus, interest or other moneys payable or rights accrued or accruing in respect of the relevant Shares or Debentures, until the requirements of the notice have been complied with.

**No transfer to minor, insolvent etc.**

104. No transfer shall be made to a minor or person of unsound mind. However in respect of fully paid up Shares, Shares may be transferred in favor of minor acting through legal guardian, in accordance with the provisions of law.

**Person entitled may receive dividend without being registered as a member**

105. A person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any 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.

**Transfer to be presented with evidence of title**

106. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

**Conditions of registration of transfer**

107. For the purpose of the registration of a transfer, the certificate or certificates of the Share or Shares to be transferred must be delivered to the Company along with (same as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer.

**No fee on transfer or transmission**

108. 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.

**Register of transfers**

109. The Company shall keep a Register of Transfer and enter therein fairly and directly, particulars of every transfer or transmission of any Share or Debenture. The register shall not be available for inspection or making of extracts by the Members of the Company or any other persons. Entries in the register should be authenticated by the Company Secretary or by any other person authorized by the Board for the purpose, by appending his signature to each entry.

**Company not liable for disregard of a notice in prohibiting registration of transfer**

110. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effort to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the

Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

#### **Transfer or Transmission of Securities between beneficial owners**

111. Nothing contained in these Articles [(except Article 104, 105, 107 and 111 shall apply to transfer or transmission of Securities effected by the transferor and the transferee both of whom are beneficial owners.
112. **Applicability on Debentures/Bonds** Subject to applicable law, the provisions of Articles 84-108 to 103 shall *mutatis mutandis* apply to the transfer and transmission of Debentures/ Bonds issued by the Company.

#### **DEMATERIALIZATION OF SECURITIES**

113. The provisions of Articles 114-125 shall apply notwithstanding anything to the contrary contained in any other Articles.

#### **Dematerialization of Securities**

114. The Board shall be entitled to dematerialize or rematerialize its Securities held by the Company with the Depository and to offer Securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended.

#### **Options to investors**

115. Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such Securities and may exercise an option to issue, deal in or to hold the Securities with a Depository, in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof. Such a person who is the Beneficial Owner of the Securities can at any time opt out of a depository, if permitted by law, in respect of any Security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.
116. If a person opts to hold his Securities with the depository, then notwithstanding anything to the contrary contained in the Act or in these Articles, the Company shall intimate such Depository the details of allotment of the Securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

**Securities in depositories to be in fungible form**

117. All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

**Rights of Depositories and Beneficial Owners**

118. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.
119. Save as otherwise provided in Article 118 above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
120. Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of Securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member / Debenture holder, as the case may be, of the Company.

**Service of Documents**

121. Notwithstanding anything to the contrary contained in the Act or these Articles, where Securities of the Company 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.

**Transfer of securities**

122. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer or transmission of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

**Allotment of Securities dealt with in a depository**

123. Notwithstanding anything to the contrary contained in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

**Distinctive number of securities held in a Depository**

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

### **Register and index of Beneficial Owners**

125. The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles. The Register and Index of Members and Security holders shall be maintained in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with the details of shares held in dematerialized forms in any medium as may be permitted by the law including in any form of electronic medium. The Company shall be entitled to keep in any country outside India a branch Register of beneficial owners residing outside India.

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

126. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request within seven days of the request on payment of such sum as the Board may determine.

### **BORROWING POWERS**

#### **Power to borrow**

127. The Board may from time to time, subject to the provisions of these Articles, Section 73 to 76, 179, 180 of the Act or Applicable Law, borrow moneys for the purpose of the Company; provided that moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in the ordinary course of business of the Company) shall not, without the requisite sanction of the Company in general meeting, exceed the aggregate of the paid up capital and its free reserves, that is to say, reserves not set apart for any specific purpose.
128. The Board may from time to time at its discretion, by a resolution passed at a meeting of the Board issue/ re-issue after consolidation Debentures or debenture stock or other securities and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company in accordance with provisions of Applicable Law .
129. Any debenture, debenture stock or other securities may be issued/ consolidated and re-issued at a discount, subject to provisions of Section 53 of Act and Applicable Law, premium or otherwise and may be issued/ re-issued for such periods and/or at such rate of interest as the Board may think fit subject to applicable provisions existing at the time of issue/ re-issue, and with or without conversion and/or on such terms and conditions and with such privileges, rights and conditions as to redemption, surrender, drawals, attending to meetings, allotment, appointment of Directors and otherwise. Debenture with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting.

130. The payment or repayment of moneys borrowed as aforesaid may be secured subject to the approval of President in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular, by a resolution passed at a meeting of the Board, the issue of debentures or debenture stock of the company, may be charged upon all or any part of the property of the Company, (both present and future) including its uncalled Capital for the time being; and debenture, debenture stock and other securities may be assignable free from any equities between the company and the person to whom the same maybe issued.
131. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall, if at any time it issues debentures, keep a register and index of debenture holders in accordance with Section 88 of the Act.

**Instrument of transfer of debentures**

132. Save as provided in Section 56 of the Act, no transfer of Debentures shall be registered unless a proper instrument of transfer duly executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures: Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.

Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.

**Register of charge etc. to be kept**

133. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 77 to 87 of the Act, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.
134. The above Register and the instrument of charges kept by the Company shall be open for inspection-
- i. by any member or creditor of the Company without fees.
  - ii. by any other person on payment of a fee of 10/- rupees only or such other amount as may be fixed by the Board from time to time.

**Register and index of debenture holders**

135. The Company shall, if at any time it issues debentures, keep Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have

the power to keep in any State or Country outside India a Branch Register of debenture-stock, resident in that State or Country.

### **Delivery of certificates**

136. Delivery by the Company of certificates upon allotment or registration of transfer of any Debentures, debenture stock or bond issued by the Company shall be governed and regulated by Section 56 of the Act.

### **GENERAL MEETINGS**

137. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.
138. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meeting.
139. In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:
- (a) the consideration of financial statements and the reports of the Board of Directors and auditors;
  - (b) the declaration of any dividend;
  - (c) the appointment of Directors in place of those retiring;
  - (d) the appointment of, and the fixing of the remuneration of, the Auditors.
140. In case of any other meeting, all business shall be deemed special.
141. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
142. Any Meeting called as above by the requisitionists shall be called in the same manner, as nearly as possible, as that in which Meetings are to be called by the Board.
143. Where permitted or required by Applicable Law, the Board may, instead of calling a Meeting of Members / class of Members / Debenture holders, seek their assent by Postal Ballot, including e-voting. Such Postal Ballot will comply with the provisions of Applicable Law in this behalf.
144. The intent of these Articles is that in respect of seeking the sense of Members or other Security Holders, the Company shall, subject to Applicable Law, be entitled to seek assent using such contemporaneous methods of communication as is permitted by

Applicable Law. A written resolution, including assent obtained through Electronic Mode shall be deemed to be sanction provided by the Member / other Security Holder by way of personal presence in a Meeting.

145. Where there is voting at General Meeting, in addition to e-voting, the person chairing the General Meeting may require a poll to be conducted.

#### **Notice of General Meetings**

146. Atleast 21 clear days' notice of every General Meeting, specifying the day, date, place and hour of meeting, containing a statement of the business to be transacted thereat, shall be given, either in writing or through Electronic Mode, to every Member or legal representative of any deceased Member or the assignee of an insolvent Member, every Auditor(s) and Director of the Company.
147. A General Meeting may be called at a shorter notice if consented to either by way of writing or any Electronic Mode by not less than 95% of the Members entitled to vote at such Meeting.
148. The accidental omission to give notice to the non-receipt thereof by any Member shall not invalidate any resolution passed at any such Meeting.

#### **Quorum at general meeting**

149. 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.
150. The quorum for the General Meetings shall be as provided in the Act <sup>6</sup>
151. If, at the expiration of half an hour from the time appointed for holding a Meeting of the Company, a quorum shall not be present, the Meeting, if convened by or upon the requisition of Members shall stand dissolved, but in any other case the Meeting shall stand adjourned to the same day in the next week or, if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place, or to such other day and at such other time and place as the Board may determine and if at such adjourned Meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be quorum and may transact the business for which the Meeting was called.

#### **Chairman at General Meetings**

152. The Chairman of the Board shall preside as Chairman at every General Meeting of the Company.
153. If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the Meeting, or is unwilling to act as Chairman of the Meeting, the Directors present shall elect one among themselves to be Chairman of the Meeting.

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6. Amended by Special Resolution passed at the Annual General Meeting of the Company held on 30<sup>th</sup> September 2020.



154. If at any Meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the Meeting, the Members present shall choose one of themselves to be Chairman of the Meeting.
155. No business shall be discussed at any General Meeting except the election of a Chairman, while the chair is vacant.
156. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **Adjournment of meeting**

157. The Chairman 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.
158. No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.
159. 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.
160. 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.

#### **Voting rights**

161. No Member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has exercised any right of lien.
162. Subject to any rights or restrictions for the time being attached to any class or classes of Shares,
  - i. on a show of hands, every Member present in person shall have one vote; and
  - ii. 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.
  - iii. through Electronic Mode in accordance with Section 108 of the Act and the voting rights of Members shall be in proportion to his share in the paid up equity capital of the Company.

163. 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.

For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

164. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote on a poll, by his legal guardian, and any such guardian may, on a poll, vote by proxy.
165. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
166. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid.
167. 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.
168. Any such objection made in due time shall be referred to the Chairman of the Meeting, whose decision shall be final and conclusive.
169. In the case of an equality of votes, the Chairman shall, on a show of hands or at a poll (if any) or on a voting by Electronic Mode, have a casting vote in addition to the vote or votes to which he may be entitled as a Member.

#### **E-voting in case of General Meeting**

170. Where the Company conducts General Meetings by way of e-voting, the Company shall follow the procedure laid down under the Act and Applicable Law.

#### **Proxy**

171. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote by a representative duly authorised in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
172. 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 the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

173. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the Seal of such corporate, if any, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.
174. A Member present by proxy shall be entitled to vote only on a poll.
175. The proxy so appointed shall not have any right to speak at the meeting.
176. 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.

#### **Right of President to appoint any person as his Representative**

177. The President, so long as he is a Shareholder of the Company, may from time to time, appoint one or more persons (who need not be a member or members of the Company) to represent him at all or any meetings of the Company.
178. Any one of the persons appointed under Article 177 who is personally present at the meeting shall be deemed to be a Member for the purposes of a quorum and to be entitled to vote and be present in person and shall be entitled to represent the President at all or any such meetings and to vote on his behalf whether on a show of hands or on a poll.
179. The President may, from time to time, cancel any appointment made under Article 177 and make fresh appointments.

180. The production at the Meeting of an order the President evidenced as provided in the Constitution of India shall be accepted by the Company as sufficient evidence of any such appointment or cancellation as aforesaid.
181. Any person appointed by the President under this Article may, if so authorized by such order, appoint a proxy, whether specially or generally.

#### **Passing of resolution by postal ballot**

182. Voting by means of postal ballot shall include voting by electronic means.
183. Where permitted or required by Applicable Law, the Board may/shall, instead of calling a meeting of Members/ class of Members/ debenture holders, seek their assent by postal ballot and/or e-voting. Such postal ballot and/or e-voting will comply with the provisions of Applicable Law in this behalf.
184. Notwithstanding anything contained in the foregoing, the Company shall transact such business, follow such procedure and ascertain the assent or dissent of Members for a voting conducted by postal ballot, as may be prescribed by Section 110 Act and the relevant Rules made thereunder and Applicable Law.
185. In case of resolutions which are mandatorily required to be passed by way of postal ballot under the Act or Applicable Law, no Meeting needs to be held at a specified time and space requiring physical presence of Members to form a quorum.
186. Where a resolution is required to be passed by postal ballot, the Company shall, in addition to the requirements of giving requisite clear days' notice, send to all the Members the following:
  - (a) Draft resolution and relevant explanatory statement clearly explaining the reasons thereof.
  - (b) Postal ballot for giving assent or dissent, in writing by Members; and
  - (c) Enable Member, in such manner as prescribed under Applicable Law, for communicating assents or dissents on the postal ballot to the Company with a request to the Members to send their communications within 30 days from the date of dispatch of notice.

#### **Passing of resolution by e-voting**

187. Where the Company conducts General Meetings by way of e-voting, the Company shall follow the procedure laid down under the Act and Applicable Law.
188. Where a Member has been allowed the option of voting through Electronic Mode as per Applicable Law and who has exercised such option, such Member or Members

generally shall be allowed to speak at the Meeting, but shall not be allowed to vote at the Meeting.

#### **Maintenance of Records and Inspection of Minutes of General Meeting by members**

189. Where permitted / required by Applicable Law, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and the conditions as laid down in Applicable Law. Such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term 'records' would mean any register, index, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made thereunder to be kept by the Company.
190. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such Meeting concerned or passing of resolution(s) by postal ballot, entries thereof in books kept for that purpose with their pages consecutively numbered.
191. Any such minutes shall be evidence of the proceedings recorded therein.
192. The book containing the minutes of proceedings of General Meetings shall be kept at the Registered Office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.
193. Any Member of the Company shall be entitled to a copy of a General Meeting on receipt of a specific request and at a fee of Rs. 10/- for each page. No fee shall be chargeable for soft copy of minutes requested for by any Member for any Meeting held in the preceding three financial years.

#### **BOARD OF DIRECTORS**

194. The business of the Company shall be managed by the Board of Directors subject to the compliance of conditions stipulated by the Department of Public Enterprises, Government of India and the Administrative Ministry from time to time.

The following are the first Directors of the Company:

1. Sh. Prakash Narain
2. Sh. Shanti Sugar Goyal
3. Sh. Ram Murti Raina
4. Sh. Sarukkai Ranganatha Srinivasan
5. Sh. Jagmohan Lal Bajaj

**Number of Directors**

195. Subject to the provisions of Section 149 of the Act and Applicable Law, the President shall from time to time, determine in writing the number of Directors of the Company which, however, shall not be less than three or more than fifteen consisting of either Whole-time functional Directors or Part-time Directors. Subject to the provisions of Section 149 of the Act and Applicable Law, the Company may appoint more than 15 Directors after approval of the President.
196. The continuing Directors may act, notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by these Articles, (a) for the purpose of increasing the number of Directors to the minimum number fixed by the Articles hereof or (b) for summoning a general meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.; and (b) to carry out such business as may be required in the best interest of the Company in the meantime.
197. Until otherwise determined by the Board, a Director shall not be required to hold any Shares in the capital of the Company as his qualification.

**Appointment of Government representatives on the Board of Directors and appointment of Chairman & Managing Director**

198. The part time Chairman, Managing Director(s), or a full time Chairman-cum Managing Director, other full time Directors of the Board of Directors and the Government representatives on the Board of Directors shall be appointed by the President. Other members of the Board of Directors shall also be appointed by the President. The Directors appointed shall be entitled to hold office for such period as the President may determine.

**Additional Directors**

199. Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Law, the President shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles.
200. Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that Meeting subject to the provisions of the Act.

**Nominee Directors**

201. In the event of 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, 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, subject to the approval of President.

202. Such Directors so appointed, shall be liable to retire by rotation, subject however, to the limits prescribed by Section 152 of the Act. Any person so appointed may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointer and served on the Company. Such Director need not hold any qualification shares.

202A. Nominee Director nominated by Debenture Trustee <sup>6A</sup>

Notwithstanding anything contained in other Articles, the IRFC Board shall have the power to appoint any person as a Director nominated by Debenture Trustee, if it is provided by any Trust Deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures the person or persons having such power may exercise such power from time to time and nominate a Director accordingly. Any Director so nominated is herein referred to as a Nominee Director nominated by Debenture Trustee. A Nominee Director nominated by Debenture Trustee may be removed from at any time by the person or persons in whom for the time being is vested the power under which he was nominated, and another Director may be nominated at his place. A Nominee Director nominated by Debenture Trustee shall not be bound to hold any qualification shares. A Nominee Director nominated by Debenture Trustee shall ipso facto vacate such office immediately the money owing by the Company to the Debenture holders is paid off or on satisfaction of the liability of the Company on this account.

**Appointment of Alternate Directors**

203. Subject to the provisions of Section 161(2) of the Act, the President may appoint an Alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office when the Original Director returns to India. If the terms of office of the Original Director are determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
204. For the purpose of determining absence in Board Meetings in terms of Section 167(1)(b) of the Act, the period during with an Original Director has an Alternate Director appointed in his place, absence shall not be considered.

6A. Amended by Special Resolution passed at the Annual General Meeting of the Company held on 22nd September, 2023.

**Power to fill casual vacancies**

205. Subject to the provisions of the Act, the vacancy, in the office of a Director appointed by the President caused by retirement, removal, resignation, death or otherwise, may be filled by the President by fresh appointment.
206. 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 vacated by him.

**Independent Directors**

207. Subject to the provisions of Section 149(6) of the Act and other Applicable Law, the President shall have the power to appoint requisite number of Independent Directors, to comply with the Applicable Law.
208. The Company and the Independent Directors are required to abide by the provisions specified in Schedule IV to the Act.
209. In Independent Director shall not be entitled to any stock options and may receive remuneration by way of sitting fees, reimbursement of expenses for participation in Board and other meetings and also to such commission based on profits, as may, subject to provisions of Applicable Law, be approved by the Members.

**Retirement by Rotation of Directors**

210. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
211. Directors to retire by rotation shall be those who have been longest in office since their last appointment, but as between two persons who became Directors on the same day, those who are to retire by rotation shall be determined by the President in consultation with the Chairman of the Company.
212. Subject to the provisions of Section 152(6) of the Act, the Chairman & Managing Director, Independent Directors and / or any Director or Directors who by virtue of the provisions of any agreement with the Company shall not be liable to retire by rotation.
213. A retiring Director shall be eligible for re-election.

**Notice of candidate for office of Directors except in certain cases**

214. No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him has, not less than fourteen days before the Meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office alongwith a requisite deposit in pursuance of Section 160 of the Act



including any alteration, exceptions and modifications made thereto from time to time.

### **Removal of directors**

215. Subject to the provisions of the Act, the President shall have the power to remove any Director including the Chairman, and the Chairman-cum-Managing Director, if any, from office at any time in his absolute discretion.
216. The President shall have right to fill any vacancy in the office of the Chairman, CMD, Managing Director, CEO, Whole Time Directors or Director caused by retirement, removal, resignation, death or otherwise, subject to the provisions of the Act.

### **Resignation of Directors**

217. A Director may resign from his office by giving a notice in writing to the President and Board shall take note of the same. The fact of such resignation shall be mentioned in the Report of Directors laid in the immediately following General Meeting by the Company.
218. The Chairman & Managing Director or a whole-time or any executive Director who has any terms of employment with the Company shall not give any notice of resignation in breach of the conditions of employment as may be applicable, either to a Director specifically or to the employees of the Company generally. A nominee Director shall not give notice of resignation except through the nominating person.
219. 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.

Provided that the Director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

### **Vacation of office of Director**

220. The office of a Director shall *ipso facto* be vacated:
- (a) on the happening of any of the events as specified in Section 167 of the Act.
  - (b) if a person is a Director of more than the number of Companies as specified in the Act at a time;
  - (c) in the case of alternate Director, on return of the Original Director in terms of Section 161 of the Act;
  - (d) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.
  - (e) if he is removed in pursuance of Section 169 of the Act;
  - (f) any other disqualification that the Act for the time being in force may prescribe.

### **Remuneration of Directors**

221. The Directors shall be paid such remuneration as the President may, from time to time determine. However, the Company may fix the sitting fees for their Independent Directors within the ceiling prescribed in the Act.<sup>7</sup>
222. Subject to the provision of the Act, such additional remuneration as may be fixed by the President may be paid to any or more Directors for extra or special services rendered by him or them; provided that where the Company takes a Directors' Liability Insurance, specifically pertaining to a particular Director, then the premium paid in respect of such insurance, for the period during which a Director has been proved guilty, will be treated as part of remuneration paid to such Directors.

### **Disclosure by directors**

223. 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 when ever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in the manner as prescribed under Section 184 of the Act.
224. A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in section 184(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds not more than two per cent of the paid-up share capital in such other body corporate.

### **Interested director not to participate or vote in Board's proceeding**

225. Subject to the provisions of Section 184 of the Act, no director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

### **Register of contracts in which directors are interested**

226. The Company shall keep a register in accordance with Section 189 (1) of the Act and the Rules made thereunder. The register shall be kept at the Registered Office of the Company and shall be open to inspection at such office, and extracts may be taken

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7. Amended by Special Resolution passed at the Annual General Meeting of the Company held on 30<sup>th</sup> September 2020.

therefrom and copies thereof may be provided to a Member on his request, within 7 days from the date on which such request is made and upon payment of Rs. 10 per page or such amount as may be laid by the Board and as permitted by the Act.

### **Miscellaneous**

227. 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.

## **PROCEEDINGS OF THE BOARD**

### **Meetings of Board**

228. The Directors may meet together as a Board from time to time for the conduct and dispatch of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit.
229. The Board shall so meet at least once in every three month and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
230. The Chairman & Managing Director or a Director may, and the manager or Company Secretary upon the requisition of Director(s) shall, at any time, summon a meeting of the Board.
231. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book to be kept for that purpose. The names of Directors who have participated in Board Meetings through video conferencing mode or other audio visual means shall be entered and initialled by the Company Secretary, stating the manner in which the Director so participated.

### **Notice of Meeting**

232. Notice of every meeting of the Board shall be given in writing, including by way of electronic means, to every Director at his registered address with the Company.
233. The notice of the meeting shall inform the Directors regarding the option available to them to participate through electronic mode, and shall provide all the necessary information to enable the Directors to participate through such electronic mode.
234. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent Director, if any, shall be present at the meeting, or in case of absence of independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one independent Director. Where the Company does not have, for the time being, any independent Director, a

Board meeting may be called at a shorter notice where such notice is approved by a majority of Directors present at such meeting.

#### **Meetings of Board by Video/audio-visual conferencing**

235. Subject to the provisions of Section 173(2) of the Act and the Rules made thereunder or other Applicable Law, the Directors may participate in meetings of the Board otherwise through physical presence, through video conferencing or other audio-visual means, including net conferencing as the Board may from time to time decide and Directors shall be allowed to participate from multiple locations through modern communication equipment for ascertaining the views of such Directors as have indicated their willingness to participate by such video conferencing or other audio-visual means, including net conferencing, as the case may be.

#### **Regulation for meeting through video conferencing**

236. The Board may, by way of a resolution passed at a meeting, decide the venue being where arrangements for conduct of Board meetings through video conferencing or other audio-visual means may be done, including net conferencing, as the case may be, in accordance to the provisions of 173(2) of the Act and Applicable Law, at the Company's cost. In case of a place other than such places where the Company makes arrangements as above, the Chairman may decline the right of a Director to participation through video conferencing or other audio-visual means in view of concerns of security, sensitivity and confidentiality of Board proceedings.
237. Where any Director requests for the video-conferencing facilities to be done at a place other than the designated places where the Company has made arrangements, and the Chairman so permits, the Director should requisition at least 5 days before the date of Board Meeting and the security and confidentiality of the Board proceedings shall be the responsibility of the participating Director, and the cost and expense in such participation, where agreed to by the Chairman, may be reimbursed by the Company.
238. The rules and regulations for conduct of the meetings of the Board, including for matters such as quorum, notices for meeting and agenda, as contained in these Articles, in the Act or the Rules made thereunder, insofar as applicable, shall apply to meetings conducted through video conferencing or other audio-visual means, including net conferencing, as the case may be.
239. Upon the discussions being held by video conferencing or other audio-visual means, including net conferencing, as the case may be, the Chairman or the Company Secretary shall record the deliberations and get confirmed the views expressed, pursuant to circulation of the draft minutes of the meeting to all Directors to reflect the decision of all the Directors participating in such discussions.
240. Subject to provisions of Section 173 of the Act and the Rules made thereunder, a Director may participate in and vote at a meeting of the Board by means of video

conferencing or similar audio-visual means which allows all persons participating in the meeting to hear and see each other and record the deliberations. Where any Director participates in a meeting of the Board by any of the means above, the Company shall ensure that such Director is provided with a copy of all documents referred to during such Board meeting prior to the commencement of the Board Meeting.

#### **Chairman for Board Meetings**

241. The Chairman & Managing Director of the Company shall preside at all meetings of the Board as well as General Meetings. If an individual is appointed or re-appointed by the President as the Chairman of the Company as well as the Managing Director of the Company at the same time, in that case, such person shall preside at all meetings of the Board as well as General Meetings of the Company. In other cases, the Board may elect a Chairman of its meetings and determine the period for which he is to hold office as such.
242. If Chairman is not present within the specified time after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairman of the meeting.

#### **Quorum**

243. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairman of the Board shall decide.
244. 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 and for no other purpose.

#### **Exercise of powers to be valid in meetings where quorum is present**

245. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by the Act or under these Articles for the time being vested in or exercisable by the Board.

#### **Matter to be decided on majority of votes**

246. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairman of the Board shall have a second or casting vote.

**Power to appoint Committee and delegate**

247. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of its powers to Committees consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any officer or Committee of officers as the Board may determine.
248. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board.
249. Subject to the provisions of the Companies Act, 2013 and the Rules made thereunder as well as other applicable laws, chairman of the committee may be appointed by the Board.

**Proceeding of committee meetings**

250. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board.
251. A Committee may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within specified time after the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.
252. A Committee may meet and adjourn as it thinks fit.
253. 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 Chairman of the Committee shall have a second or casting vote.

**Resolution without Board Meeting/ Resolution by Circulation**

254. Save as otherwise expressly provided in the Act to be passed at a meeting of the Board and subject to Section 175 of the Act, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, at their addresses registered with the Company in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and has been approved by a majority of the Directors or members as are entitled to vote on the resolution.

Provided that, where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be

decided at a meeting, the Chairman shall put the resolution to be decided at a Board Meeting.

Provided further that where the resolution has been put to vote at a Board Meeting, the consent of dissent of the Directors obtained by way of resolution by circulation shall be rendered void.

### **Minutes of proceedings of meetings of Board and its Committees**

255. The Company shall cause minutes of proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting, entries thereof in the books kept for that purpose with their pages consecutively numbered in accordance to Section 118 of the Act. Such minute book may also be kept in Electronic Mode.
256. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
257. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise, if the minutes are kept in physical form.
258. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
259. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
260. The minutes shall also, *inter alia*, contain:
  - (a) the names of the Directors present at the meeting;
  - (b) where the meeting of the Board takes place through Electronic Mode, the minutes shall disclose the particulars of the Directors who attended the meeting through such means; and
  - (c) in the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
261. Nothing contained in Articles 260 shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting :
  - (a) is, or could reasonably be regarded as defamatory of any person.
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interest of the Company.
262. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in 261.

263. Every Director who attended the meeting whether personally or through Electronic Mode shall confirm or give his comments in writing, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or such reasonable time as decided by the Board, after receipt of the draft minutes, failing which his approval shall be presumed.
264. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
265. Any Director of the Company may requisition for physical inspection of the Board Meeting minutes by giving a prior notice of seven days.

Provided that the Director can requisition to inspect Board Meeting minutes only for the period that he is on the Board of the Company.

Provided further that the physical inspection shall be done solely by the Director himself and not by his authorised representative or any power of attorney holder or agent.

#### **POWERS OF BOARD**

266. Subject to the provisions of the Act and to such directives and/or instructions as the President may issue from time to time and Applicable Law, the business of the Company shall be managed by the Board of Directors who may exercise all such powers and do all such acts and things as the Company is authorized to exercise and do and who may from time to time delegate such powers to the Chairman and / or Managing Director as may be necessary for the proper conduct of the business of the Company.

Provided that the Board of Directors shall not exercise any power or do any act or thing which is directed or required, whether by the Act or Applicable Law or by the Memorandum or Articles of the Company or otherwise to be exercised or done by the Company in General Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or Applicable Law or in the Memorandum of Association of the Company or in these Articles or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.



### **Defects in Appointment of Directors not to Invalidate Actions Taken**

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

### **POWERS RESERVED FOR DECISION OF THE PRESIDENT**

268. Subject to the provisions of the Applicable Law, the Chairman shall reserve for the decision of the President any proposals or decisions of the Directors in any matter which in the opinion of the Chairman is of such importance as to be reserved for the approval of the President. No action shall be taken by the Company in respect of any proposal or decision of the Board of Directors reserved for the approval of the President as aforesaid until his approval to the same has been obtained.
269. Without prejudice to the generality of the above provisions, the Board of Directors shall reserve for the decision of the President any matter relating to:<sup>8</sup>
- (a) Appointment, which term will include initial appointment, extension in service and re-employment of personnel who have attained the age of 60 years on a pay (including pension and pensionary equivalent of retirement benefits) as per Government Guidelines.
  - (b) Appointment of any foreign national to any post in the Company.
  - (c) Any programme of capital expenditure for an amount exceeding the fiduciary powers of the Board.
  - (d) Winding up of the Company.
  - (e) Sale, lease or disposal of any property having an original book value of above Rs. 50 crores.

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<sup>8</sup> Amended by Special Resolution passed at the Annual General Meeting of the Company held on 30<sup>th</sup> September 2020.

- (f) The formation of a subsidiary company.
- (g) Revenue Budget of the Company in case there is an element of deficit which is proposed to be met by obtaining funds from Central Government.
- (h) Agreement involving foreign collaboration proposed to be entered into by the Company.
- (i) Purchases and contracts of a major nature involving substantial capital outlay which are in excess of the powers vested in the Company.

No action shall be taken by the Company in respect of any proposal or decision of the Board reserved for the approval of the President until his approval to the same has been obtained. The president shall have the power to modify such proposals or decision of the Board.

#### **ABSOLUTE POWERS OF BOARD IN CERTAIN CASES**

270. Without prejudice to the general powers conferred by Section 179(3) of the Act and the provisions mentioned above, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers; that is to say, power :

- (a) To pay any interest lawfully payable under the provisions of the Act.
- (b) To act jointly and severally in all or any of the powers conferred on them.
- (c) To appoint and nominate any person(s) to Act as representative for purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association.
- (d) To comply with the provisions of Applicable Law which in their opinion shall, in the interest of the Company be necessary or expedient to comply with.
- (e) To make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.

- (f) To sanction capital expenditure in cases where detailed Project Reports have been prepared with estimates of different component parts of the Projects and where such Project Reports have been approved by Government. In such cases, it will not ordinarily be necessary for the Board to obtain Government's sanction to the incurrence of Capital Expenditure.
- (g) In case of variation in approved estimates which are not more than 10 percent for any particular component part, the Board of Directors will be competent to proceed with the work without further reference to Government provided there is no substantial variation in the scope of the Project.
- (h) To incur capital expenditure on new Projects, modernization, Purchase of equipment etc. without Government approval upto Rs. 500 crore or such other limits as may be notified, from time to time, by the Department of Public Enterprises and/or any other competent authority or the amount equal to net worth of the Company, whichever is less.
- (i) To establish joint ventures and subsidiaries in India subject to government guidelines issued from time to time.
- (j) To approve mergers and acquisitions subject to the condition that (a) it shall be as per the growth plan and in the core area of functioning of the Company, (b) the conditions/limits shall be as in the case of establishing Joint Ventures/Subsidiaries and (c) the Cabinet Committee of Economic Affairs, Government of India shall be kept informed in case of investment abroad.
- (k) Enter into technology joint ventures, strategic alliances and to obtain technology and know-how by purchase or other arrangements subject to Government guidelines as may be issued from time to time.
- (l) To lend money to subsidiaries and associated organizations, on such terms and conditions as they may consider desirable.
- (m) To further delegate the powers relating to Human Resource Management (appointments, transfer, postings etc.) of below Board level executives to Sub-Committees of the Board or to executives of the Company, as may be decided by the Board from time to time.
- (n) Subject to the approval of President to borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the

issue of debenture or debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future).

- (o) Notwithstanding anything contained elsewhere in these Articles, the Board of Directors shall exercise all such powers as may be enhanced, authorized or delegated by the Government to MoU signing PSUs or Mini Ratna Companies from time to time.
- (p) To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to appoint solicitors, Advocates, Lawyers, Counsel and other legal advisers for such purposes or for any other purposes and settle and pay their fee or remunerations.
- (q) To refer any claims or demands or differences by or against the Company or to enter into any contract or arrangement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same.
- (r) To act as trustees in composition of the Company's debtors and/or act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (s) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (t) To execute in the name and on behalf of the Company or in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (u) To determine from time to time who shall be entitled to sign, on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- (v) Subject to provisions of Applicable Law, to give a Director or any officer or any other person whether employed or not by the Company, share or shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

- (w) Subject to the approval of government, to provide for the welfare of Directors or ex-Directors or employees or ex employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- (x) To hire any Person/ Firm/ Company (excluding Foreign Consultancy) as Consultants/ Experts/ Advisors to provide consultancy or to look after such matters as may be deemed fit in connection with the Company activities on monthly retainer fee basis or otherwise, or on such other terms & conditions as may be deemed fit, subject to guidelines, if any.
- (y) To take insurance of any or all properties of the Company and any or all the employees and their dependents against any or all risks.
- (z) Subject to applicable provisions of the Act and Rules made thereunder, and subject to any other applicable law, to appoint purchasing and selling agents or purchase and sale of Company's requirement and products respectively.
- (aa) Subject to provisions of Applicable Law, to give a Director or any officer or any other person whether employed or not by the Company, share or shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.
- (bb) To accept from any Member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (cc) To open and deal with current accounts, overdraft accounts with any bank/banks for carrying on any business of the Company.
- (dd) To take insurance on behalf of its Managing Director, whole-time Director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary or any person in senior management for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

**To acquire and dispose of property and rights**

271. Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and to sell, let exchange or otherwise dispose of absolutely or conditionally any part of the property, privileges, and undertaking of the Company upon such terms and conditions and for such consideration as they may think fit.

**To pay for property in debentures, etc.**

272. At their discretion and subject to the provisions of the Act and Applicable Law, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or Shares, bonds, Debentures, mortgages, or other Securities of the Company, and such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled capital or not so charged;

**To secure contracts by mortgages**

273. To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the Company being or in such manner as they may think fit.
274. To execute in the name and on behalf of the Company or in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

**To appoint Trustees**

275. To appoint any Person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

**To bring and defend actions etc.**

276. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the

Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company.

**To refer to arbitration**

277. To refer any claims or demands by or against the Company to arbitration and observe and perform the awards.
278. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

**To act in matters of bankrupts & Insolvents**

279. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

**To invest moneys**

280. Subject to the provisions of Sections 179 and 185 of the Act, to invest in Reserve Bank/State Bank of India/any nationalised bank or in such securities as may be approved by the President and deal with any moneys of the Company not immediately required for the purpose thereof upon such investment (not being Shares of this Company) in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;

**To give security by way of Indemnity**

281. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

**To authorize acceptance etc.**

282. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;

**To give percentages**

283. Subject to provisions of Applicable Law and approval of President, to give to a Director or any officer or any other person whether employed or not by the

Company, share or shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

**To establish and support charitable objects**

284. To establish maintain, support and subscribe to any charitable or public objects, and any institution, society or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business, to give pensions, gratuity, or charitable aid to any person or persons who have served the Company or to the wives, children, or dependents of such person or persons, that may appear to the Directors just or proper, whether any such person, his widow, children or dependants, have or have not a legal claim upon the Company.
285. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;

**To recommend dividend**

286. Subject to the guidelines issued by the Government, before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special Funds as the Board may think fit, with full power to transfer the whole, or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or debenture stock, and without being bound to keep the same, separate from the other



assets ,and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

#### **To appoint officers etc.**

287. Subject to the provisions of the Act and applicable law, to create the posts of and to appoint, and at their discretion, remove or suspend such General Managers, Deputy General Managers, Managers, other officers below the rank of Managers, Assistants, Supervisor, Clerks, and Workmen, permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit; Local Board
288. From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such local boards and to fix their remuneration.

#### **Delegations**

289. Subject to Section 179 & 180 of the Act from time to time and at any time, to establish any Managing Committee for managing any of the affairs of the Company in any specified locality in India, or out of India, and to appoint any person to be member of such Managing Committee and to fix their remuneration and from time to time and at any time to delegate to any person so appointed or any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorise the members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

#### **Power of Attorney**

290. At any time and from time to time by power of attorney under the Seal of the Company, if any, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under those presents) and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow money') and for' such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit, be made in favour of the

members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit.

### **Sub-delegation**

291. Any such delegates or Attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the power, authorities and discretions for the time being vested in them.

### **To sanction/ reimburse expenses**

292. To sanction, pay and reimburse to the officers or employees of the Company in respect of any expenses incurred by them on behalf of the Company, or in connection with the business of the Company.

### **To give Bonus etc.**

293. To give, award, or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children, or dependants, that may appear to the Board of Directors just or proper, whether such employee, his widow, children or dependants have or have not a legal claim upon the Company.

### **To make and alter rules**

294. Subject to Sections 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations, contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

### **POWER OF MANAGING DIRECTOR/ WHOLE TIME DIRECTOR**

295. The Board of Directors may, subject to Section 179 of the Act, entrust to and confer upon the Managing or whole time Director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.
296. Subject to the article above, the powers conferred on the Managing Director/CEO/ WTD shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer

such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. Managing Director/CEO shall not exercise any powers under Section 179 of Act except such powers which can be delegated under the Act and specifically delegated by a resolution of the Board.

### **POWER TO AUTHENTICATE DOCUMENTS**

297. Any Director or the Company Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any books, records, documents and accounts relating to the business of the company and to certify copies or extracts thereof; and where any books, records documents or accounts are then, 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 Board as aforesaid.
298. Document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the last preceding 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 extract is a true and accurate records of a duly constituted meeting of the Directors.

### **VIGIL MECHANISM**

299. Company shall establish a vigil mechanism for their Directors and employees to report their genuine concerns or grievances. Audit Committee shall oversee the vigil mechanism. The vigil mechanism shall provide for adequate safeguards against victimisation of employees and Directors who avail of the vigil mechanism and also provide for direct access to the Chairman of the Audit Committee or the Director nominated to play the role of Audit Committee, as the case may be, in exceptional cases. In case of repeated frivolous complaints being filed by a Director or an employee, the Audit Committee may take suitable action against the concerned Director or employee including reprimand.

### **THE SEAL**

300. The Board may provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
301. The Company shall also be at liberty to have an official Seal for use in any territory, district or place outside India.

302. 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 authorised by it in that behalf, and except in the presence of at least one Directors and of the Company Secretary or such other person as the Board may appoint for the purpose; and the Director and the Company Secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.
303. The Board shall provide for the safe custody of the Seal.

#### **MANAGEMENT OUTSIDE INDIA AND OTHER MATTERS**

304. Subject to the provisions of the Act the following shall have effect:
- (a) The Board may from time to time provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
  - (b) Subject to the provisions of the Act, the Board may at any time establish any local Directorate for managing any of the Delegation of the affairs of the Company outside India, and may appoint any person to be member of any such local Directorate or any manager or agents and may fix their remuneration and, save as provided in the Act, the Board may at any time delegate to any person so appointed, any of the powers, authorities and discretions for the time being vested in the Board and such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and annual or vary any such delegations.
305. The Board may, at any time and from time to time, by power of attorney under Seal, if any, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those which may be delegated by the Board under the Act and for such period and subject to such conditions as the Board may, from time to time, thinks fit, and such appointments may, if the Board thinks fit, be made in favour of the members or any of members of any local directorate established as aforesaid, or in favour of the Company or of the Members, Directors, nominees or Officers of the 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 attorneys as the Board thinks fit.
306. Any such delegate or Attorney as aforesaid may be authorized by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

307. The Company may exercise the power conferred by the Act with regard to having an Official seal for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of Member or debenture holders residents in any such state or country and the Board may, from time to time make such regulations not being inconsistent with the provisions of the Act, and the Board may, from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of the local law and shall in any case comply with the provisions of the Act and Applicable Law.

## **DIVIDENDS AND RESERVE**

### **Division of profits**

308. The profits of the Company, subject to any special rights as to Dividend created or authorized to be created by these Articles and subject to the provisions of those presents as to reserve fund shall, with the approval of the President, be divisible among the Members in proportion to the amount of capital paid-up on the Shares held by them respectively.

Provided always that (subject as aforesaid) any capital paid upon a share during the period in respect of which a dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such share to an apportioned amount of such dividends as from the date of payment.

### **The Company in General Meeting may declare a Dividend**

309. The Company in General Meeting may declare Dividends to be paid to Members according to their respective rights and interest in profits and may fix the time for payment, but no Dividend shall exceed the amount recommended by the Board. The Company in General Meeting may, however declare a smaller Dividend. No dividend shall bear interest against the Company.

### **Dividend only to be paid out of profits**

310. The Dividend can be declared and paid only out of the following profits:
- a. Profits of the financial year, after providing depreciation as stated in Section 123(2) read with Schedule II of the Act and Applicable Law.
  - b. Accumulated profits of the earlier years, after providing for depreciation u/s 123(2) read with Schedule II of the Act and Applicable Law.

- c. Out of money provided by Central or State Government for payment of dividend in pursuance of a guarantee given by the Government.
- d. If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123(2) of the Act or Applicable Law, or against both.

### **Transfer to reserve**

- 311. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, think fit.
- 312. Such reserve, being free reserve, may also be used to declare Dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act and the Rules made in that behalf.
- 313. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

### **Interim Dividend**

- 314. Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

### **Calls in advance not to carry rights to participate in profits**

- 315. Where Capital is paid in advance of calls such Capital may carry interest but shall not in respect thereof confer a right to Dividend or participate in profits.

### **Payment of pro rata Dividend**

- 316. 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.

#### **Deduction of money owed to the Company**

317. The Board may deduct from any Dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares of the Company.

#### **Rights to dividend where shares transferred**

318. A transfer of Share shall not pass the right to any Dividend declared thereon before the registration of the transfer.

#### **Dividend to be kept in abeyance**

319. The Board may retain the Dividends payable in relation to such Shares, any offer of rights Shares under clause (a) of sub-section (1) of section 62 and any issue of fully paid-up bonus Shares in pursuance of first proviso to sub-section (5) of section 123. The Board may also retain dividends on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.

#### **Notice of Dividend**

320. 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.

#### **Manner of paying dividend**

321. Any Dividend, interest or other monies payable in cash in respect of shares may be paid by any Electronic Mode to the Shareholder entitled to the payment of the Dividend, or by way of cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
322. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any Dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the dividend by any other means.

#### **Receipts for dividends**

323. 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.

**Non-forfeiture of unclaimed dividend**

324. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.

**Retention in certain cases**

325. No Dividend shall be paid in respect of any Share except to the registered holder or beneficial owner of such Share or to his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of a registered shareholder or beneficial owner to make a separate application to the Company for the payment of the Dividend.

**Investment of money in reserves**

326. All monies carried to reserve or reserves, shall nevertheless remain and be profits of the Company applicable, subject to due provisions being made for actual loss or depreciation, for the payment of Dividends and such monies and all the other monies of the Company not immediately required for the purposes of the Company may subject to the provisions of Section 186 of the Act be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any bank as deposit or otherwise as the Board may from time to time think proper.

**ACCOUNTS****Directors to keep true accounts**

327. The Company shall keep at the Registered Office or at such other place in India as the Board thinks fit, proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.
328. Where the Board decides to keep all or any of the Books of Account at any place in India other than the registered office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
329. The Company shall preserve in good order the books of account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
330. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the preceding Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date are sent by the branch office to



the Company at its Registered Office or at any other place in India, at which the Company's Books of Account are kept as aforesaid.

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

#### **Inspection of books of accounts by Members**

332. 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.
333. No person (not being a Director) other than the President or his nominees 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.

#### **Inspection of books of accounts by Directors etc.**

334. The books of account and other books and papers maintained by the Company within India shall be open for inspection at the Registered Office of the Company or at such other place in India by any Director during business hours, and in the case of financial information, if any, maintained outside the Country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as prescribed under the Applicable Law.

Provided that the books of account shall also be open to inspection by the Registrar or by any officer of Government authorised by the Central Government in this behalf if in the opinion of the Registrar or such officer sufficient cause exists for the inspection of the books of account

#### **Preparation of financial statements**

335. At every Annual General Meeting the Board shall lay before such meeting financial statements prepared in accordance with the provisions of Section 129 of the Act.

#### **Copies of financial statements to be sent to the Members**

336. A copy of every financial statements (including consolidated financial statements, if any, the Auditor's Report and every other document required by law to be annexed or attached to the financial statements) shall, as provided by Section 136 of the Act, not less than twenty-one days before the meeting, be sent to every Member, to every trustee for the holders of any debentures and other person to whom the same is

required to be sent by the said Section and as specified in the Act or by Applicable Law.

#### **Copies of Financial Statement etc., to be filed**

337. The Company shall comply with Section 137 of the Act as to filing copies of the financial statements along with all the other documents required to be annexed or attached thereto, duly adopted at the Annual General Meeting, with the Registrar.

#### **Preparation of revised financial statements**

338. Subject to the provisions of Section 131 of the Act and the Rules made thereunder, the Board may require the preparation of revised financial statement of the Company or a revised Boards' Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the Company or (b) the report of the Board do not comply with the provisions of Section 129 or Section 134 of the Act.

#### **Preparation of Boards' Report**

339. There shall be attached to every financial statements laid before the Company in General Meeting, a report by the Board complying with Section 134 and other applicable provisions of the Act and other Applicable Law.

### **AUDIT**

#### **Auditors to be appointed**

340. Once at least in every year the accounts of the Company shall be examined by one or more Auditor or Auditors.
341. Statutory Auditors shall be appointed or re-appointed by the Comptroller and Auditor General of India and Cost Auditors, if any, shall be appointed by the Board. The rights and duties of Auditors shall be regulated in accordance with Sections 139 to 148 of the Act and Applicable Law.
342. The Comptroller and Auditor General of India shall have power :-
- a. to direct the manner in which the Company's accounts shall be audited by the auditor/auditors appointed in pursuance of Article 341 hereof and to give such auditor/auditors instruction in regard to any matter relating to the performance of his/their functions as such.
  - b. to conduct a supplementary or test audit of the Company's accounts by such person or persons as he may authorise in this behalf, and for the purposes of such audit, to have access, at all reasonable times, to all accounts, account books, vouchers, documents and other papers of the Company and to require information or additional information to be furnished to any person or persons

so authorised on such matters, by such person or persons and in such form as the Comptroller and Auditor General may, by general or special order, direct.

343. Secretarial Auditors shall be appointed by the Board and their rights and duties shall be regulated in accordance with Sections 204 of the Act and Applicable Law.
344. All notices of, and other communication relating to any General Meeting of the Company which any Member of the Company is entitled to have shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

## **DOCUMENTS AND NOTICES**

### **Service of documents and notice**

345. A document or notice may be served or given by the Company on any Member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or by way of any electronic transmission, as prescribed in Section 20 of the Act and Applicable Law thereunder.
346. Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so, service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and such service shall be deemed to have been effected in the case of Notice of a Meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

### **Newspaper advertisement of notice to be deemed duly serviced**

347. A document or notice advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served or sent on the day on which the advertisement appears to every Member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him.

**Notice to whom served in case of joint shareholders**

348. A document or notice may be served or given by the Company on or given to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holder named first in the Register of Members in respect of the Share.

**Notice to be served to representative**

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

**Service of notice of General Meetings**

350. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every Member of the Company, legal representative of any deceased member or the assignee of an insolvent member, (b) every Director of the Company and (c) the Auditor(s) for the time being of the Company.

**Members bound by notice**

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

**Documents or notice to be signed**

352. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.

**Notice to be served by post or other electronic means**

353. All documents or notices to be served or given by Members on or to the Company or any office thereof shall be served or given by sending it to the Company or officer at the office by post under a certificate of posting or by registered post, or by leaving it

at the office or by such other electronic means as prescribed in Section 20 of the Act and Applicable Law thereunder.

**Admissibility of micro films, computer prints and documents to be treated as documents and evidence**

354. Any information in the form of a micro film of a document or image or a facsimile copy or any statement in a document included in a printed material produced by a computer shall be deemed to be a document and shall be admissible in any proceedings without further production of original, provided the conditions referred in Section 397 are complied with.
355. All provisions of the Information Technology Act, 2000 relating to the electronic records, including the manner and format in which the electronic records shall be filed, in so far as they are consistent with the Act, shall apply to the records in electronic form under section 398 of the Act.

**WINDING UP**

356. Subject to the provisions of Chapter XX of the Act and Applicable Law thereunder—
- (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, but subject to the rights attached to any preference Share Capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit.
  - (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.
  - (d) This clause is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

**INDEMNITY**

357. For the purpose of this Article, the following expressions shall have the meanings respectively assigned below:
- (e) **“Claims”** means all claims for fine, penalty, amount paid in a proceeding for compounding or immunity proceeding, actions, prosecutions, and proceedings, whether civil, criminal or regulatory;
  - (f) **“Indemnified Person”** shall mean any Director, officer or employee of the Company, as determined by the Board, who in bonafide pursuit of duties or functions or of honest and reasonable discharge any functions as a Director, officer or employees, has or suffers any Claims or Losses, or against whom any Claims or Losses are claimed or threatened;
  - (g) **“Losses” means** any losses, damages, cost and expense, penalties, liabilities, compensation or other awards, or any settlement thereof, or the monetary equivalent of a non-monetary suffering, arising in connection with any Claim;
358. Where Board determines that any Director, officer or employee of the Company should be an Indemnified Person herein, the Company shall, to the fullest extent and without prejudice to any other indemnity to which the Indemnified Person may otherwise be entitled, protect, indemnify and hold the Indemnified Person harmless in respect of all Claims and Losses, arising out of, or in connection with, the actual or purported exercise of, or failure to exercise, any of the Indemnified Person’s powers, duties or responsibilities as a Director or officer of the Company or of any of its subsidiaries, together with all reasonable costs and expenses (including legal and professional fees).
359. The Company shall further indemnify the Indemnified Person and hold him harmless on an ‘as incurred’ basis against all legal and other costs, charges and expenses reasonably incurred in defending Claims including, without limitation, Claims brought by, or at the request of, the Company and any investigation into the affairs of the Company by any judicial, governmental, regulatory or other body.
360. The indemnity herein shall be deemed not to provide for, or entitle the Indemnified Person to, any indemnification against:
- (a) Any liability incurred by the Indemnified Person to the Company due to breach of trust, breach of any statutory or contractual duty, fraud or personal offence of the Indemnified Person;
  - (b) Any liability arising due to any benefit wrongly availed by the Indemnified Person;

- (c) Any liability on account of any wrongful information or misrepresentation done by the Indemnified Person

361. The Indemnified Person shall continue to be indemnified under the terms of the indemnities in this Deed notwithstanding that he may have ceased to be a Director or officer of the Company or of any of its subsidiaries.

### **BONAFIDE EXERCISE OF MEMBERSHIP RIGHTS**

362. Every Member and other Security holder will use rights of such Member/ security holder as conferred by Applicable Law or these Articles bonafide, in best interest of the Company or for protection of any of the proprietary interest of such Member/security holder, and not for extraneous, vexatious or frivolous purposes. The Board shall have the right to take appropriate measures, and in case of persistent abuse of powers, expulsion of such Member or other Security holder, in case any Member/Security holder abusively makes use of any powers for extraneous, vexatious or frivolous purposes and in case of persistent abuse of powers, expulsion of such Member or other Security holder.

### **SECRECY**

363. Every manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any General Meeting or by the law of the country and except so far as maybe necessary in order to comply with any of the provisions in these presents and the provisions of the Act.

364. Subject to the provisions of these Articles and the Act, no Member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or to examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information regarding any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be expedient in the interest of the Company to communicate to the public.

The President shall, however, be exempt from the provision of this Article notwithstanding anything mentioned hereinbefore.

### **DIRECTIVES FROM THE PRESIDENT**

365. Notwithstanding anything contained in any of these Articles, the President may from time to time issue such directions or instructions as he may consider necessary in regard to the affairs or the conduct of the business of the Company or Directors thereof and in like manner may vary and annul and such direction or instruction. The Directors shall duly comply with and give immediate effect to directions or instructions so issued. In particular, the President shall have power:

- (a) To give directives to the Company as to the exercise and performance of its functions in matters involving national security or substantial public interest.
- (b) To call for such returns, accounts and other information with respect to the property and activities of the company as may be required from time to time.
- (c) To provide wholly or partly owned company(ies) or subsidiary(ies) including participations in their share capital irrespective of the sources from which the operations of such companies are to be financed.
- (d) To determine in consultation with the Board annual, short and long-term financial and economic objectives of the Company.

Provided that all directives issued by the President shall be in writing addressed to Chairman. The Board shall, except where the President considers that the interest of national security requires, otherwise, incorporate the contents of directives issued by the President in the annual report of the Company and also indicate its impact on the financial position of the company.

- (e) To take decisions regarding entering into partnership and/or regarding arrangements for sharing profits.



The Articles shall be signed by each subscriber of the Memorandum of Association who shall add his address, description and occupation, if any, in the presence of at least one witness who shall attest the signature and shall likewise add his address, description and occupation, if any, and such signatures shall be in form specified below:

Name, Description, Occupation and Address of each subscriber	No. of Equity Shares taken by subscribers	Signature of each subscriber	Name, Address, Description, Occupation, and Signatures of Witness or Witnesses
<p><b>1. Prakash Narain</b> S/o. Late Shri Narsingh Narain Resident of 25, Chanakyapuri, New Delhi Govt. Service, Aged 58 Yrs. On behalf of President of India</p>	One	Sd/-	<p style="text-align: center;"><b>I hereby Witness Signatures of all the Subscribers</b> <b>Sd/-</b> <b>(Om Prakash Chandra Jain) Chartered Accountant</b> <b>S/o. Late Shri Asharfi Lal Jain</b> <b>Resident of D-124, Saket, New Delhi - 110017.</b></p>
<p><b>2. Prakash Narain</b> S/o. Late Shri Narsingh Narain Resident of 25, Chanakyapuri, New Delhi Govt. Service, Aged 58 Yrs.</p>	One	Sd/-	
<p><b>3. Srinivasa Ramaswamy</b> S/o. Late Shri R. Srinivasa Ayyangar Resident of C-11/54, Moti Bagh, New Delhi. Govt. Service, Aged 57 Yrs.</p>	One	Sd/-	
<p><b>4. Saroj Kumar Mitra</b> S/o. Late Shri M.N. Mitra Resident of Suite No. 3, Rly. Officers Rest House, State Entry Road, New Delhi. Govt. Service, Aged 53 Yrs</p>	One	Sd/-	
<p><b>5. Satish Mohan Vaish</b> S/o. Late Miuhan Lal Vaish Resident of 14, Rly. Colony, Sardar Patel Marg, New Delhi - 110 021. Govt. Service, Aged 53 Yrs.</p>	One	Sd/-	

<p><b>6. Raj Kumar Jain</b> S/o. Late Shri Moti Lal Jain, Resident of C11/80, Bapa Nagar, New Delhi - 110 003. Govt. Service, Aged 55 Yrs.</p> <p><b>7. Rameshwar Prasad Singh</b> S/o. Late Shri SurajNath Singh Resident of 1, Chelmsford Road, New Delhi- 110 055. Govt. Service, Aged 57 Yrs.</p> <p><b>8. Amar NathWanchoo</b> S/o. Dr. Kailash NathWanchoo Resident of Banglow No.2, Northern Rly. Officers Colony, S.P. Marg, New Delhi. Govt. Service, Aged 56 Yrs.</p>	<p>One</p> <p>One</p>	<p>Sd/-</p> <p>Sd/-</p>	
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Dated the 10th day of December, 1986.

Place: New Delhi