

(THE COMPANIES ACT, 2013)
(Public Company Limited by Shares)

ARTICLES OF ASSOCIATION
OF
PENBROOK INVESTMENTS LIMITED
(incorporated under the Indian Companies Act, 1913)

INTERPRETATION

1. (1) In these Articles or Regulations—
 - (a) “the Act” means the Companies Act, 2013;
 - (b) “the Articles” or “these Articles” means the Articles of Association for the time being of the Company;
 - (c) “the Board” means the Board of Directors for the time being of the Company;
 - (d) “the Company” or this Company means PENBROOK INVESTMENTS LIMITED;
 - (e) “debenture” includes debenture stock;
 - (f) “person” Includes body corporate, firm, association of persons and society registered under the Societies Registration Act;
 - (g) “in writing” and “written” Includes printing, lithography and any other modes of representing or reproducing words in a visible form.
- (2) Unless the context otherwise requires, words or expressions contained in these Regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Regulations become binding on the Company.
- (3) Words Importing singular number shall include the plural number and vice versa and words Importing masculine gender shall include feminine or neutral gender, as the case may be.
2. The Regulations contained in Table “F” in Schedule I to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in these Regulations. These Regulations shall be binding on the Company and its members as if they are the terms of an agreement between them.

SHARE CAPITAL AND VARIATION OF RIGHTS

3. The share Capital of the Company is Rs. 5,00,00,000/- divided into 50,00,000 shares of Rs. 10 each.
4. Subject to the provisions of these Articles, the shares shall be under the control of the Board, who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a par or at premium and at such time and at such consideration as the Board thinks fit.

Provided that, where at any time it is proposed to increase the Subscribed Capital of the Company by the allotment of further shares then, subject to the provisions of Section 62 of the Act, the Board shall issue such shares in the manner set out in Section 62 of the Act, save that the Board may determine whether or not any offer of shares made in such manner shall include a right

exercisable by any person concerned to renounce all or any of the shares offered to him in favour of any other person. Provided further that option or right to make issue or call for subscription of shares shall not be given by the Board to any person except with the sanction of the Company in general meeting.

5. The Board shall have power to issue preference shares on terms that they are to be redeemed in such manner as the Board may determine subject to the provisions of section 55.
6. Unless otherwise specified at the time of issue, all series of preference shares issued from time to time shall rank *pari passu* in regard to priority over equity shares in the event of winding up or otherwise save and except that they carry right to dividend, cumulative or otherwise, as stipulated at the time of issue the respective series.
7. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 , and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these Regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons present in person holding shares of the class in question.
8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
9. In the event it is permitted by Act and subject to such conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is consequent reduction of capital.
10. (i) The Company may exercise the power of paying commissions conferred by sub-section (6) of Section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of Section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly-paid shares or partly in the one way and partly in the other.
11. Except as required by Act, 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.

12. Not more than three persons shall be registered as joint holders of any share.

13. (i) The Company shall issue share certificates as and when required in accordance with the provisions the Act and rules made thereunder including and amendments, modification thereof.

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

LIEN

14. (i) The Company shall have a first and paramount lien—

- a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- b. on all shares (not being fully paid shares) standing registered in the name of a member (whether solely or jointly with others) for all monies presently payable by him/them or his/their estate to the Company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

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

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

Provided that no sale shall be made—

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

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

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

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

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

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

CALLS ON SHARES

18. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

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

19. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments. A call when made shall become a debt due to and recoverable by the Company.

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

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

(ii) The liability to pay interest due on the calls shall continue even after forfeiture of the shares.

(iii) Board shall be at liberty to waive payment of any such interest wholly or in part.

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

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

23. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any call or other money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears entered on the register of members as the holder of the shares in respect of which such money is sought to be recovered, that notice of such call was duly given in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call or any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

24. The Board –

- a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him; and
- b. upon all or any of the moneys so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

25. (i) Members may transfer their shares in demat mode only and in accordance with the provisions of the Act and the provisions of the Depositories Act, 1996 as amended from time to time.

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

26. Transfer of shares in the name of a minor shall be as per the provisions of the Act and The Depositories Act, 1996 as amended from time to time.

TRANSMISSION OF SHARES

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

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

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

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

- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
29. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) 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.
30. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.
31. Subject to the provisions of Section 72 of the Act and any other Regulations made in that behalf, every shareholder of the Company may, at any time, nominate in the prescribed manner, a person to whom his shares in the Company shall vest in the event of his death.

FORFEITURE OF SHARES

32. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
33. The notice aforesaid shall—
- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
34. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

35. When any share is so declared to be forfeited, notice of forfeiture shall be given to the member in whose name it stood immediately prior to 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.
36. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
37. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
38. The forfeiture of a share shall involve the extinction of all interest in and also of 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.
39. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as herein provided.
40. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

41. 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.

DEMATERIALISATION OF SECURITIES

42. (1) For the purposes of this Article
- “Beneficial Owner” shall have the meaning assigned thereto in Section 2(1)(a) of the Depositories Act, 1996.
- “Depositories Act” shall mean Depositories Act, 1996 and includes any statutory modifications or re-enactment thereof from time to time.
- “Depository” shall mean a depository as defined in Section 2(1)(e) of the Depositories Act, 1996.
- “Security” shall mean such security as may be specified by Securities and Exchange Board of India (SEBI).
- (2) Notwithstanding anything on the contrary contained in this Article, the Company shall be entitled to dematerialize its securities and to offer security in a dematerialized form and further to rematerialize the securities held in depository pursuant to Depositories Act, 1996 or any amendment thereof.
- (3) Every person holding securities of the Company through allotment or otherwise shall have the option to receive and hold the same in the dematerialized form with depository.
- (4) Every person holding securities of the Company with a depository, being the beneficial owner, thereof, may at any time, opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed thereunder and on fulfilment of the conditions prescribed by the Company from time to time, Company shall issue the relevant security certificate to the beneficial owner thereof.
- (5) All securities held by depository shall be dematerialized and shall be in fungible form. Nothing contained in sections 88, 89 and 90 of the Companies Act, 2013 shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owner.
- (6) A depository shall be deemed to be the registered owner for the purposes of effecting the transfer of ownership of securities on behalf of the beneficial owner and shall not have any voting right or any other right in respect of the securities held by it.
- (7) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the depository shall be deemed to be a member of the Company of his/her securities which are held by a depository.
- (8) Transfer of the security held in Depository will be governed by the provisions of the Depositories Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of the depository.

(9) The register and index of beneficial owner maintained by depositories Act 1996, shall be deemed to be the register and index of members and security holder for the purpose of these Articles.

(10) Notwithstanding anything contained in these articles, the provisions of Depositories Act, 1996 relating to dematerialization of securities including any modifications or re-enactment thereof and rules/regulations made thereunder shall prevail and supply accordingly.

CONVERSION OF SHARES INTO STOCK

43. The Company may, by ordinary resolution:

- (a) convert any paid-up shares into stock; and
- (b) Reconvert any stock into paid-up shares of any denomination.

44. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

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

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

46. Such of the Regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those Regulations shall include "stock" and "stockholder" respectively.

SHARE WARRANTS

47. The share warrants may be issued as per the provisions of laws as may be applicable to the Company.

DEBENTURES

48. Every debenture or other instrument issued by the Company for securing the payment of money be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the Company and the persons to whom the same may be issued. Any debentures, debenture stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into any shares of any denomination, and with any special privilege as to redemption, surrender, drawings and allotment of shares or otherwise. Provided that the debentures with a right to conversion into or allotment of shares shall not be issued without consent of the Company in general meeting.

49. The provisions herein contained relating to transfer and transmission shall also apply to debentures in the same manner as they apply to shares.

ALTERATION OF CAPITAL

50. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.
51. Subject to the provisions of Section 61, the Company may, by ordinary resolution,—
- a. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - b. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum of Association;
 - c. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
52. The Company may reduce in any manner, subject to the provisions of the Act:
- a. Its share capital;
 - b. Any capital redemption reserve account; or
 - c. Any share premium account.

GENERAL MEETING

53. All general meetings other than annual general meeting shall be called extraordinary general meeting and shall be convened as per the provisions of the Act.

PROCEEDINGS AT GENERAL MEETINGS

54. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meeting shall be as provided in section 103.
- (iii) If within half an hour from the time appointed for holding a meeting of the Company a quorum is not present, the meeting if called 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 at the same time and place unless otherwise determined by the members present at the original meeting or failing them, by the Board and if at such adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.
55. The chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.

56. 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 of their members to be Chairman of the meeting.
57. 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 their members to be Chairman of the meeting.

ADJOURNMENT OF MEETING

58. (i) The Chairman may, and if so directed by the meeting, shall adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) 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.
59. Before or on the declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by the members present in person or by proxy, where allowed and having not less than one tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakhs rupees or such higher amount as per the Act has been paid up.
60. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.
61. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

VOTES OF MEMBERS

62. A society registered under the Societies Registration Act, if it is a member of the Company, by a resolution of its governing body (by whatever name called), may authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers on behalf of the society which he represents as that society could exercise if it were an individual member.
63. 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.

64. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
65. 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 thereon.
66. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

PROXY

67. 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.
68. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
69. 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 registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

70. The number of directors shall be as per the provisions of the Act.
71. A Director shall not be required to hold any share but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.
72. Where the Company enters into an agreement with any corporations or institutions for financial assistance to the Company empowering such financier to appoint its nominee on Board of the Company, such appointee may not be liable to retire and may hold office as Director at the

pleasure of such financier, who shall have the power from time to time to remove its appointee and nominate another in his place.

73. (i) Unless otherwise determined by the Company in general meeting, each Director shall be entitled to receive out of the funds of the Company for his services in attending meetings of the Board or a Committee of the Board, such fee as may, from time to time, be fixed by the Board but not exceeding such sum as may be prescribed by the Act or the Central Government from time to time.

(ii) The Directors shall be entitled to receive from the Company all travelling, hotel (including stay anywhere else) and other expenses properly incurred by them—

- a. for attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
- b. in connection with the business of the Company.

74. The Directors (other than Managing, Whole-time Directors and those appointment by any body under any agreement and or not liable to retire) may be paid in respect of each financial year of the Company remuneration by way of commission upto one percent of the net profits of the Company if the Company has Managing, Whole-time Directors or Manager or upto three percent of the net profits of the Company in any other case and the total commission so payable shall be divided among such Directors pro rata to the period of office held by them unless otherwise agreed upon among them.

75. Subject to the provisions of the Act, if any Director, being willing shall be called upon to perform extra service or to made special exertion in going or residing anywhere for any of the purposes of the Company, the Board may remunerate such Director either by fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution of any remuneration to which he may be entitled as a Director.

76. Without prejudice to the Board being entitled to exercise all powers, authorities and discretions and to do all such acts and things as the Company is authorised to exercise and do, save and except as otherwise provided specifically by the Act, the Board shall have the following powers, provided, however, that the Board shall exercise its powers subject to any directions as may be made or given by the Company in general meeting:-

- (i) 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.
- (ii) To raise or secure the re-payment of such sum in such manner and upon such terms and conditions in all respects as it think fit, and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture stock, or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the Company(both present and future) including its goodwill and uncalled capital for the

time being or by giving, accepting or endorsing on behalf of the Company any promissory notes, bills of exchange, hundis or other negotiable instruments.

- (iii) To pay out of the funds of the Company all expenses on the issue of its Capital, including brokerage and commission (in cash or kind including issue of shares) for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares in, debentures or other securities of the Company.
- (iv) To create any depreciation fund, reserve fund, Sinking fund, or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for any other purpose conducive to the interest of the Company.
- (v) To exercise the powers conferred on the Company by the Sections 88 of the Act with regard to the keeping of a foreign register; and subject to the said provisions to make and vary such Regulations as it may think fit respecting the keeping of any such register.
- (vi) To appoint at any time, and from time to time, one or more additional Director provided the number of the directors and the additional Directors altogether shall not at any time exceed the maximum strength fixed for the Board by these Articles. Such person shall hold office only upto 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.
- (vii) To appoint any person to act as an alternate Director in accordance with the provisions of the Act.

77. A person who is not retiring Director shall, subject to the provisions of the Act be eligible for appointment to the office of Director at any general meeting, if he or some member intending to propose him has not less than fourteen days before the meeting, left at the 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, as the case may be.

PROCEEDINGS OF THE BOARD

78. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) The Chairman of the Board and any other officer including a Director authorised by the Board may call a meeting of the Board.
79. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

80. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
81. (i) The Board may elect a Chairman of its meetings and determine the period for which he is to hold office and the Chairman so elected shall preside at the meetings of the Board.
- (ii) If no such Chairman is elected, or if at any meeting the Chairman is not present, the Directors present may choose one of their number to be Chairman of the meeting.
82. If a meeting of the Board could not be held for want of quorum, the meeting shall stand adjourned till the same day in the next week at the same time and place and if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise determined by the Chairman of the Board or failing him, by the Directors or the Director present at the original meeting.
83. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) The Board may also constitute any committee consisting of one or more of the Directors or one or more of the Directors along with one or more of the officers of the Company with such powers, duties and obligations as the Board may think fit and determine from time to time.
- (iii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any Regulations that may be imposed on it by the Board.
84. (i) A committee may elect a Chairman of its meetings.
- (ii) If no such Chairman is elected, or if at any meeting the Chairman is not present, the members present may choose one of their members to be Chairman of the meeting.
85. (i) A committee may meet and adjourn as it thinks proper.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
86. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director.
87. A resolution may be passed or decision taken by the Board or by a Committee thereof by circulation pursuant to the provisions of Section 175 of the Act.

MANAGING OR WHOLE TIME DIRECTOR

88. Subject to the provisions of Act, the Board may from time to time appoint one or more of the Directors to be Managing Director or Managing Directors or Whole time Director or Whole time Directors of the Company for a term not exceeding five years at a time and may from time to time and subject to the provisions of any contract between him or them and the Company, remove or dismiss him or them from office and appoint another or others in his or their place or places.
89. A managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation, but subject to the provisions of any contract between him and the Company he shall be subject to the provisions as to resignations and removal as the other Directors of the Company, and he shall, *ipso facto* and immediately cease to be a Managing Director or Whole-time Director if for any cause, he ceases to hold the office of Director.
90. The Board may fix the remuneration of such Managing Directors and Whole-time Directors, whether by way of salary or commission or by conferring a right to participate in the profits of the Company or by combination of any of the above subject to the approval by a resolution at the next general meeting of the Company in terms of provisions of the Act and rules made thereunder.
- The remuneration of the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors (subject to provisions of the Section 197 and Schedule V of the Act) shall be in accordance with the terms of his or their contract with the Company.
91. Subject to the provisions of the Act, and to the terms of any Resolution of the Company passed at the General Meeting, the Board may, from time to time, entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and with such restrictions (if any) as it thinks expedient, and it may confer such powers, either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

CHIEF EXECUTIVE OFFICER, MANAGER AND COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

92. Subject to the provisions of the Act-
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.
 - (ii) A Director may be appointed as chief executive officer, manager, Company Secretary or chief financial officer.

DIVIDENDS AND RESERVE

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

94. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to be justified by the profits of the Company.
95. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper 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, thinks fit.
- (ii) The Board may also carry forward any profits which it considers necessary not to divide, without setting them aside for a reserve.
96. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
97. The Company in general meeting may decide that any dividend payable to the members may be set off against any call payable by the members or any call in arrear by the member.
98. Notwithstanding the provisions of Article 97, 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 in the Company.
99. (i) Any dividend, interest or other monies payable in respect of shares may be paid through any electronic mode or by cheque or warrant 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (iii) The Company shall not be responsible for the loss of any cheque, warrant or postal order sent by money order in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the Company beforehand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

100. 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.

101. No dividend shall bear interest against the Company.

102. 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.

103. All dividends unclaimed shall be dealt with in accordance with the provisions of the Act.

CAPITALISATION OF PROFITS

104.(i) The Company at general meeting may, upon the recommendation of the Board, resolve—

- a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit & loss account, or otherwise available for distribution; and
- b. that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied either in or towards—

- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (b) paying up unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(iii) The Board may likewise resolve to capitalise the whole or any part of the amount for the time being standing to the credit of share premium account or capital redemption reserve account but the same can be applied in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares in the proportion aforesaid.

105.(i) Whenever such a resolution is passed by the Board, the Board shall—

- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- b. generally do all acts and things required to give effect thereto.

(ii) Any agreement made under the said authority shall be effective and binding on such members.

INSPECTION

106. Whereunder any provision of the Act, any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate deed, instrument or document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during the hours of 11 A.M. to 1 P.M. on any working day unless otherwise determined by the Company in general meeting.

RECONSTRUCTION

107. The Board on any sale or transfer of the whole or any portion of an undertaking of the Company or the liquidator on a winding up may, if authorised by a special resolution, accept fully paid or partly-paid up shares, debentures or securities of any other company, whether incorporated in India or not, either then existing or to be formed, for the purchase in whole or in part of the property of the Company, and the Board if the profits of the Company permit or the liquidator (on a winding up), may distribute such share or securities or any other property of the Company among the members without realisation or vest the same in trustees for them, and any special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property otherwise that in accordance with the strict legal rights of the members or contributors of the Company and for the valuation of any such securities of property at such price and in such manner as the meaning may approve and all holders of shares shall, subject to the provisions of the Act, be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only such statutory rights, if any, under the Act as are incapable of being varied or excluded by these Articles in case the Company is proposed to be or is in course of being wound up.

WINDING UP

108. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

- i. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- ii. 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.

SECRECY

109. Every Director, manager, secretary, accountant, auditor, trustee, member of a committee, officer, servant, agent or other person employed in or dealing with the affairs of the Company shall observe strict secrecy respecting all its affairs including transactions with its customers and the state of accounts with any person, and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by a

court of law or as be necessary in order to comply with any of the provisions contained in these Articles or the Act.

110.No member shall be entitled to require discovery of any information respecting any of the Company's affairs save and except as required to be furnished by the Company to the members under the Act or considered expedient by the Board in the absolute discretion of the Directors.

111.No Member or other person (not being a director) shall be entitled to visit or inspect the Company's premises without the permission of the Directors or to require discovery of any information respecting 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, which may relate to the conduct of the business of the Company and which in the opinion of the Director will be inexpedient in the interest of the Members of the Company to communicate to the public.

INDEMNITY

112.Subject to the provisions of the Act, the Directors, manager, secretary and other officers, employees or servants or auditor for the time being of the Company and trustees (if any) for the time being acting in relation to any of the affairs of the Company, and every one of them and every one of their executors and administrators shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their executors or administrators shall sustain by or reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through or by their own wilful neglects or defaults respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipt for the sake for conformity or for the solvency of any bankers or other persons with whom any moneys or effects belonging to the Company shall be deposited or for insufficiency or deficiency of any security upon which any moneys of on belonging to the Company shall be placed or invested or for any other loss, misfortune or damage which may happen in the execution of their respective offices and trusts or in relation thereto unless the same shall happen by or through their own wilful neglect or default respectively.