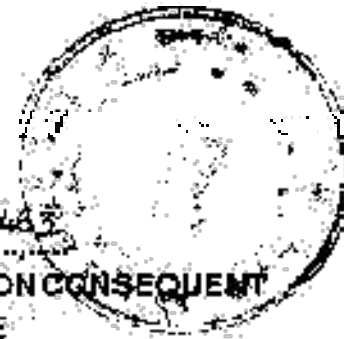




सत्यमेव जयते



CIN L65990PB1962PLC2483

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, PUNJAB, HIMACHAL PRADESH & CHANDIGARH AT JALANDHAR (UNDER THE COMPANIES ACT, 1956) (1 OF 1956)

IN THE MATTER OF VARDHMAN SPINNING AND GENERAL MILLS LIMITED

I hereby certify that VARDHMAN SPINNING AND GENERAL MILLS LIMITED

which was originally incorporated on 27-12-1962 under the Companies Act, 1956 and under the name of VARDHMAN SPINNING AND GENERAL MILLS LIMITED

having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956, approval of the Central Government is hereby accorded thereto and the name of said company is this day changed to VARDHMAN HOLDINGS LIMITED and this certificate is

issued pursuant to Section 23 (1) of the said Act.

Given under my hand at JALANDHAR this 27th day of March

Two thousand Six.

(6th Chaitra, 1928, Saka)

(Signature)
(MANMOHARJUNEJA)
Registrar of Companies
Punjab, H.P. & Chandigarh



सत्यमेव जयते  
From I.R.

## CERTIFICATE OF INCORPORATION

\*\*\*  
**NO. 2463 OF 1962-1963**

I hereby certify that "VARDHMAN SPINNING AND GENERAL MILLS LIMITED" is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

Given under my hand at JULLUNDUR this 27th day of DECEMBER  
One Thousand nine hundred and SIXTY-TWO

Seal of the  
Registrar of Companies  
Punjab & Himachal Pradesh

Sd/- S. Krishana Murthi  
Registrar of Companies  
Punjab & Himachal Pradesh



सत्यमेव जयते

## **CERTIFICATE FOR COMMENCEMENT OF BUSINESS**

Pursuant of section 149 (3) of the Companies Act, 1956

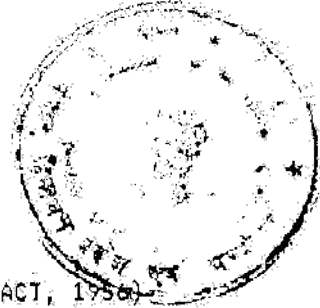
I hereby certify that the "VARDHMAN SPINNING AND GENERAL MILLS LIMITED" which was incorporated under the Companies Act, 1956 on the 27th day of December 1962 and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 149 (1) (a) to (d)/149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at JULLUNDUR this 31st day of January One thousand nine hundred and Sixty-three.

Seal of the  
Registrar of Companies  
Punjab & Himachal Pradesh

Sd/- S. Krishana Murthi  
Registrar of Companies  
Punjab & Himachal Pradesh

COMPANY NO. / L65990PB1962PLC2463



(SECTION 18 (1) (a) OF THE COMPANIES ACT, 1956)

CERTIFICATE OF REGISTRATION OF THE SPECIAL RESOLUTION  
CONFIRMING ALTERATION OF OBJECT CLAUSE (S).

**By Postal Ballot**

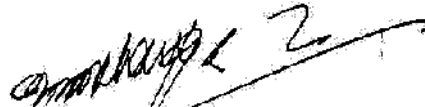
The shareholders of M/s. Vardhman Holdings Limited

.....having passed Special Resolution  
in the Annual General Meeting/Extra Ordinary General Meeting held  
on 25-03-2006 altered the provisions of its Memorandum of  
Association with respect to its objects and complies with section  
18 (1) of the Companies Act, 1956.

I hereby certify that the above said Special  
Resolution together with the printed copy of the Memorandum of  
Association as altered has this day been registered.

Given under my hand at JALANDHAR, this 27th day of  
March.....Two Thousand Six.

(6th Chaitra, 1928, Saka)

  
(MAHMOOHAN JUNEJA)  
REGISTRAR OF COMPANIES  
PUNJAB, H.P. & CHANDIGARH.

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**

**Memorandum of Association**

**Of**

**VARDHMAN HOLDINGS LIMITED**

**(Formerly 'Vardhman Spinning and General Mills Limited')**

I. The name of the Company is "VARDHMAN HOLDINGS LIMITED" (Formerly Vardhman Spinning and General Mills Limited).

II. The Registered Office of the Company will be situated in the state of Punjab.

III. The objects for which the Company is established are:-

**A. MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY:**

1. To carry on and undertake the business of finance, investment, loan and guarantee company and to invest in, acquire, subscribe, purchase, hold, sell, divest or otherwise deal in securities, shares, stocks, equity linked securities, debentures, debenture stock, bonds, commercial papers, acknowledgements, deposits, notes, obligations, futures, calls, derivatives, currencies and securities of any kind whatsoever, whether issued or guaranteed by any person, company, firm, body, trust, entity, government, state, dominion sovereign, ruler, commissioner, public body or authority, supreme, municipal, local or otherwise, whether in India or abroad. Financing and Investment Activities

2. To carry on business as financiers and merchants and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations and also to borrow or lend and advance money and to sell and deal with stocks, funds, shares, debentures, debenture-stocks, bonds, obligations and other securities. Holding stocks, shares and securities

**B. THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS OF THE COMPANY ARE:**

1. To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire for any estate or interest whatsoever and to hold, develop, work, cultivate, deal with and turn to account concessions, grants, degrees, licenses, privileges, claims, options lease properties, real or personal or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company and to purchase, charter, hire, build or otherwise acquire vehicles of any or every sort or description for use on or under land or water or in the air and to employ the carriage of merchandise of all kinds or passengers and to carry on the business of owners of trucks, trams, lorries, motor cars and ship-owners and lighter men and owners of aircraft in all or any of their respective Branches. Purchase Lease, Exchange

2. To advance, deposit with or lend money, securities and property to or receive loans or grants or deposits from the Governments. To advance, deposit with or lend money to

Government

3. To lend money either with or without security and generally to such persons and upon such terms and conditions as the Company may think fit. Loans
4. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stock, contracts, mortgage, charges, obligations, instruments and securities of any company subject to provisions of the Companies Act, 2013 or of any authority, supreme, municipal, local otherwise or of any persons whomsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations. Guarantee and Surety
5. To carry on and undertake the business of financing the purchase of immovable properties of all kinds including real estate, buildings, factories, flats, depots, warehouses, apartments and the like and to buy, sell, alter, repair, exchange and deal in and finance the sale of furniture, apparatus, machinery, materials, goods and articles, lease out or sell any of the same on ire-purchase system. Purchase of immovable properties
6. 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 debentures or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital and to purchase, redeem and pay off any such securities. Borrowing
7. To carry on the business of financiers, merchants, forwarding agents and underwriters, brokers, warehousemen, ware fingers, mercantile agents and any kind of commercial, financial and agency business, carriers by land, water and air. Brokers/Agents etc
8. To carry on and undertake business of leasing and to finance leasing operations of all kinds, finance, trading, hire purchase, purchasing, selling, exporting, importing, hiring or letting on hire all kinds of plant, machinery and equipments whether electrical, electronic or mechanical including tractors, taggers, shutters, transport/commercial vehicles of any kind for use in land, water and air, motor cars, motorcycles, scooters, construction/industrial equipments, earthmoving machinery, cranes, excavators, loaders, implements, tools, utensils, ships, dredgers, tugs, barges, aeroplanes, helicopters, wagons, coaches, tram-cars, telex, teleprinters, electronic private automatic branch exchanges, private automatic exchanges, public address systems, television receivers, industrial robots, furniture, domestic or business appliances, computers, tabulators, data processing machines, addressing machines and other sophisticated office machinery and appliances and to assist in financing of all and every kind and description of hire purchase on easy payment system or deferred payment or similar transactions and subsidise, finance or assist in subsidising or financing the sale, purchase and maintenance of its goods, articles, commodities of all and every kind upon any terms and to purchase or otherwise deal in all forms of immovable or movable property including land and building sand of consumer, commercial and industrial items and to lease or otherwise deal with them in any manner including resale thereof, regardless whether the property purchased and leased be new and/or used. leasing
9. To carry on the business of general finance, trust, to finance industrial enterprises in their project on turnkey basis or otherwise. Financing
10. To provide leasing advisory/counselling service to other entities and/or form the leasing, financing and investment arm of other entitles. Leasing advisory services

- |     |  |                       |
|-----|--|-----------------------|
| 11. | To advance or lend money, securities and/or properties with any company, firm, person or associates in accordance with and to the extent permissible under the provisions contained in Section 186 of the Companies Act, 2013 with or without security on such terms as may be determined from time to time. However, the Company shall not carry on the business of banking as defined in Banking Regulation Act, 1949. | Advancing/Lending     |
| 12. | To carry on the business of Underwriters, Managers to Issues, Transfer Agents and Brokers of stock, shares, debentures, debenture stock, Government bonds, Government securities, Units of Unit Trust of India, National Saving Certificates and other securities.   | Underwriting /Broking |

**C. OTHER OBJECTS NOT INCLUDED IN SUB-CLAUSE (A) AND (B) ABOVE**

- |    |   |  |
|----|---|--|
| 1. | To carry on the business as manufacturers and producers of and dealers in all kinds of oils and oil seeds, vegetable ghee, paints, pigments and varnishes, drugs, dye ware, enamels, washing and toilet soaps, toilet goods, scents, attars, perfumes, scented oils or otherwise and printers, publishers, stationers and candle makers.  | To Manufacture oil                               |
| 2. | To develop and turn to account any land acquired by the Company or in which the Company is interested and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down decorating, maintaining, furnishing, fitting up and improving buildings and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement and by advancing money to and entering into contracts and arrangement of all kinds with builders, tenants and others.   | To develop any arrangement                       |
| 3. | To construct, maintain, improve, develop, work, control and manage any waterworks, gasworks, reservoirs, road, tramways, electric power, heat and light supply works, telephone works, hotels, clubs, restaurants, baths, places of worship, places of amusement, pleasure grounds, parks, gardens, reading rooms, stores, shops, dairies and other works and conveniences which the Company may think directly or indirectly conducive to these objects and to contribute or otherwise assist or take part in the construction, maintenance, development, working, control and management thereof. | To construct and superintend                     |
| 4. | To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose of the undertaking property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit and in particular for stocks, shares, whether fully or partly paid up, or securities of any other company.   | To sell under taking and property of the Company |
| 5. | To apply for, purchase or otherwise acquire any patents, brevet d' invention licences concessions and the like conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may be seen capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated, directly to benefit the Company, and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property right or information so acquired.   | To acquire patents etc.                          |
| 6. | To enter into partnership or into any arrangement for sharing profits into any union of interests, joint venture, reciprocal concession or co-operation with any person or persons or company or companies carrying on, or engaged in, or about to carry on or engage in or being authorised to carry on or engage in, any business or transaction  | To enter into partnership                        |

which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.

- |     |  |  |
|-----|--|--|
| 7.  | To draw, make, accept, discount, execute and issue bills of exchange, Government of India and other promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.  | Negotiable Instruments   |
| 8.  | To expend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.   | To expend money in improving any patents etc.                      |
| 9.  | To establish, provide, maintain and conduct research and other laboratories, training colleges, school and other institutions for the training, education and instruction of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith.   | To establish research laboratories college and to provide lectures |
| 10. | To form, incorporate or promote any company or companies whether in India or in any foreign country, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the company or any other objects or object which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscription for or for guaranteeing the subscription of or the placing of any shares in the capital of the company or any bonds, debentures, obligations or securities of the Company or any stock, shares, bonds debentures, obligations or securities of any other Company held or owned by the Company or in which the Company may have an interest or in or about the formation or promotion of the Company or the conduct of its business or in and about the promotion or formation of any other Company in which the Company may have an interest. | Promotion  |
| 11. | To acquire and undertake all or any part of the business, property and liabilities of any person or company carrying on any business which this company is authorised to carry on or possessed of property suitable for the purposes of the Company.   | Acquire and undertake business                                     |
| 12. | To take part in the management, supervision or control of the business or operations of any company or undertaking and to act as Managing Agents, Secretaries & Treasurers, thereof and for that purpose to appoint and remunerate any Directors, Accountants or other experts or agents.  | Management of other companies                                      |
| 13. | To remunerate any persons or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or any debentures, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of property by the Company or the conduct of this business.   | The remunerate for promotion of the Company etc.                   |
| 14. | To undertake and execute any trust, the undertaking of which may seem to the Company desirable and either gratuitously or otherwise.   | Trusts   |
| 15. | To provide for the welfare of the employees or ex-employees of the Company or its  | The establish  |



predecessors in business or the family members, dependent or connections of such persons by building or contributing to the building of houses or dwellings or quarters or by grants of money, pensions, gratuities, allowances, payments towards insurance, bonuses, profit sharing bonuses or benefits or any other payments or by establishing, supporting or from time to time subscribing or contributing or aiding in the establishment and support of associations, institutions, funds including provident funds, trusts, profit sharing or other schemes and conveyances, and by providing or subscribing or contributing towards the places of instruction and recreation, hospitals and dispensaries, medical and other attendance as the Company shall think fit.

- |     |  |  |
|-----|--|--|
| 16. | To aid, peculiarly or otherwise, any association, body or movement having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.   | associations connected with Company or for benefit of employees of the Company |
| 17. | To subscribe or guarantee money for any national, charitable, benevolent, political, public, general or useful object or for any exhibition.   | Labour problems  |
| 18. | To distribute all or any of the property of the Company amongst the members in specie or kind.   | To subscribe money   |
| 19. | To carry on any other business whether manufacturing or otherwise that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or right or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property real or personal belonging to the Company or in which the Company may be interested and to do all or any of the above things, either as principals, agents, trustees, contractors or otherwise, and either alone or in Conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise and to do all such things as are incidental or conducive to the attainment of the above objects. | Distribution in specie   |
|     |  | Trustee and agency and any other business                                      |

And it is hereby declared that the word "Company" save when used in reference to this company, in this clause, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, whether domiciled in India or elsewhere.

- |     |  |                   |
|-----|--|-------------------|
| 20. | To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "Programme of rural development" shall also include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors consider it likely to promote and assist rural development and that the words, "rural areas" shall include such areas as may be regarded as rural areas under sections - 35CC and 35CCA of the Income-Tax Act, 1961, or any other Law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may, at their discretion, in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts or Funds as the Directors may approve. | Rural Development |
|-----|--|-------------------|

21. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the public or any section of the Public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the public or any section of the Public and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers etc., or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting, or assisting any institutions, fund, trust etc. having any one of the aforesaid objects, as one of its objects, by giving donations or otherwise in any other manner. To promote National Welfare
22. To make donations in cash or in kind to Institutions or Associations formed for the purpose of promoting the Welfare of Public in Rural areas. Making Donations
- IV.** The liability of the members is limited.
- V.** The Authorised Share Capital of the Company is Rs. 40,00,00,000/- (Rupees Forty crore only) divided into 3,00,00,000 Equity Shares of Rs. 10/- each and 1,00,00,000 Redeemable Cumulative Preference Shares of Rs. 10/- each, with power to increase and reduce the capital, to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential or special rights, privileges or conditions including power to create further preference shares either subject to or in accordance with regulations of the Company, to vary, modify or abrogate any such right, privilege or condition in such manner as may for the time being be provided by the regulations of the Company.

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

Sr. No.	Name, address, description and occupation of the subscribers	No. Shares taken	Signature of subscribers	Signature of witnesses with addresses and occupation
1.	Lachhman Dass Oswal S/o L. Assa Ram Business. B-IV, 538 Shares Brahampuri, Ludhiana	200 Equity Shares	Equity Lachhman Dass Oswal	Sd/- N.S. Agal Chartered Accountant 21- Darya Ganj New Delhi-110006
2.	Vidya Sagar Oswal S/o sh. Assa Ram Business. Mohalla Vakilan, House No. B-III, 374, Ludhiana	200 Equity Shares	Sd/ V.S. Oswal	
3.	Rattan Chand Oswal S/O Sh. Assa Ram Business Mohalla Braham Puri House No. B-IV, 577, Ludhiana	200 Equity Shares	Sd/ R.C. Oswal	
4.	Dharam Paul Oswal S/o L Lachhman Dass Oswal Business Opp. P.W.D Rest House Ludhiana.	200 Equity Shares	Sd/- D.P.Oswal	
5.	Tej Paul Oswal S/o L. Lachhman Dass Oswal Business Opp. P.W.D. Rest House Civil Lines, Ludhiana.	200 Equity Shares	Sd/- T.P. Oswal	
6.	Raj Paul Oswal S/o L. Lachhman Dass Oswal B-IV, 538 Shares Brahampuri, Ludhiana	200 Equity Shares	Sd/- Raj Paul Oswal	
7.	Darshan Kumar Oswal S/o Sh. Rattan Chand Oswal Business, B-iii, 577 Brahampuri, Ludhiana	200 Equity Shares	Sd/-D.K. Oswal	

**Dated:** this 18<sup>th</sup> day of December, 1962

**THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION**

Of

**VARDHMAN HOLDINGS LIMITED  
(Formerly 'Vardhman Spinning and General Mills Limited')  
Incorporated under the Companies Act, 1956**

**The following regulations in these Articles of Association to be adopted pursuant to Member's resolution passed at Annual General Meeting of the Company held on \_\_\_\_\_ in substitution for and to entire exclusion of, earlier regulations comprised in the extant Articles of Association of the Company.**

1. Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which the Articles become binding on the Company. **Interpretation**

The marginal notes hereto shall not effect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith.

**"Act"** means the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the same being in force and the term shall be deemed to refer to the applicable Section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous Company law, so far as may be applicable. **"Act"**

**"Annual General Meeting"** means a general meeting of the members held in accordance with the provisions of the Section 96 of the Act. **"Annual Meeting" General**

**"Articles"** means these Articles of Association of the Company or as altered from time to time or applied in pursuance of any previous Company law or of this Act. **"Articles"**

**"Beneficial Owner"** shall mean beneficial owner as defined in clause (a) of Subsection (1) of Section 2 of the Depositories Act, 1996. **"Beneficial Owner"**

**"Capital"** means the share capital for the time being raised or authorised to be raised, for the purpose of the Company. **"Capital"**

**"Chairman"** shall mean the Chairman of the Board appointed pursuant to the Articles. **"Chairman"**

**"Chief Financial Officer"** means a person appointed as the Chief Financial Officer of a Company. **"Chief Financial Officer" Financial**

**"Committee(s)"** shall mean the duly constituted committee(s) of the Board. **"Committee"**

**"Depositories Act, 1996"** shall include Depositories Act, 1996 and any statutory modification or re-enactment thereof. **"Depositories Act, 1996"**

<p><b>"Depository"</b> shall mean a Depository as defined under Clause (e) of sub-section (1) of Section (2) of the Depositories Act, 1996.</p>	<p><b>"Depository"</b></p>
<p><b>"Dividend"</b> includes any Interim Dividend.</p>	<p><b>"Dividend"</b></p>
<p><b>"Document"</b> includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.</p>	<p><b>"Document"</b></p>
<p><b>"Extra-Ordinary general meeting"</b> means extra-ordinary general meeting of the Members duly called as constituted including adjournment thereof.</p>	<p><b>"Extra-Ordinary General Meeting"</b></p>
<p><b>"Independent Director"</b> means an independent director referred to in sub-Section (5) of Section 149.</p>	<p><b>"Independent Director"</b></p>
<p><b>"Key Managerial Personnel"</b>, in relation to a Company, means:  (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time-Director  (ii) the Company Secretary;  (iii) the Chief Financial Officer; and  (iv) such other officer as may be prescribed</p>	<p><b>"Key Managerial Personnel"</b></p>
<p><b>"Manager"</b> shall mean a Manager for the time being of the Company</p>	<p><b>"Manager"</b></p>
<p><b>"Meeting or General Meeting"</b> shall mean a meeting of the Members of the Company.</p>	<p><b>"Meeting or General Meeting"</b></p>
<p><b>"Memorandum"</b> means the Memorandum of Association of a Company as originally framed or as altered from time to time in pursuance of any previous Company law or of this Act.</p>	<p><b>"Memorandum"</b></p>
<p><b>"Member"</b> means a person;  a) Whose name is entered in the Register of Members as holding any share(s) either solely or jointly;  b) Subscribers to the Memorandum of the Company; and  c) Beneficial Owner(s)</p>	<p><b>"Member"</b></p>
<p><b>"Month"</b> means the English Calendar Month.</p>	<p><b>"Month"</b></p>
<p><b>"Non-retiring Directors"</b> shall mean a director who is not liable to retire by rotation as per provisions of the Act.</p>	<p><b>"Non-retiring Directors"</b></p>
<p><b>"Office"</b> shall mean the Registered Office for the time being of the Company".</p>	<p><b>"Office"</b></p>
<p><b>"Proxy"</b> shall include Attorney duly constituted under a Power of Attorney.</p>	<p><b>"Proxy"</b></p>
<p><b>"Register"</b> means the Register of Members to be kept pursuant to section 88 of the Act.</p>	<p><b>"Register"</b></p>

<p><b>"Related party"</b>, with reference to a Company, means—</p> <ul style="list-style-type: none"> <li>(i) a director other than Independent director or his relative;</li> <li>(ii) a key managerial personnel or his relative;</li> <li>(iii) a firm, in which a director, manager or his relative is a partner;</li> <li>(iv) a private Company in which a director or manager or his relative is a member or director;</li> <li>(v) a public Company in which a director or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;</li> <li>(vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;</li> <li>(vii) any person on whose advice, directions or instructions a director or manager is accustomed to Act:</li> </ul> <p>Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;</p> <ul style="list-style-type: none"> <li>(viii) any Company which is— (A) a holding, subsidiary or an associate Company of such Company; or</li> <li>(B) a subsidiary of a holding Company to which it is also a subsidiary;</li> <li>(ix) such other person as may be prescribed;</li> </ul>	<p><b>"Related Party"</b></p>
<p><b>"Relative"</b>, with reference to any person, means any one who is related to another, if—</p> <ul style="list-style-type: none"> <li>(i) they are members of a Hindu Undivided Family;</li> <li>(ii) they are husband and wife; or</li> <li>(iii) one person is related to the other in such manner as may be prescribed;</li> </ul>	<p><b>"Relative"</b></p>
<p><b>"Seal"</b> means the Common Seal of the Company.</p>	<p><b>"Seal"</b></p>
<p><b>"Section"</b> or <b>"Sec"</b> shall mean Section of the Act.</p>	<p><b>"Section" or "Sec"</b></p>
<p><b>"Shares"</b> shall mean the shares into which the Capital is divided and the interest corresponding to such shares.</p>	<p><b>"Shares"</b></p>
<p><b>"The Registrar"</b> means the Registrar of Companies, Punjab, Himachal Pradesh &amp; Chandigarh.</p>	<p><b>"The Registrar"</b></p>
<p><b>"The Company"</b> means VARDHMAN HOLDINGS LIMITED (Formerly Vardhman Spinning and General Mills Limited.)</p>	<p><b>"The Company"</b></p>
<p><b>'The Directors'</b> mean the Directors for the time being of the Company.</p>	<p><b>'The Directors'</b></p>
<p><b>"The Managing Directors"</b> means the Managing Director for the time being.</p>	<p><b>"The Managing Directors"</b></p>
<p><b>"The Board of Directors"</b> or the Board means the Board of Directors.</p>	<p><b>"The Board of Directors"</b></p>

**'Tribunal'** means the National Company Law Tribunal constituted under section 408 of the Act. **'The Tribunal'**

**"In writing"** and Written include printing, lithography and other modes of representing or reproducing words in a visible form. **"In writing and written"**

**"Words"** importing the singular number only include the plural number and vice versa and also Words importing persons include corporations. **"Words"**

Words importing the masculine gender also include feminine gender. **"Gender"**

**"Year"** means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act. **"Year"**

2. The regulation contains in the Table marked 'F' in Schedule I of the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contain or expressly made applicable in these Articles or by the said Act. **Table "F" not to apply**

3. Save as permitted by Section 67 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on the security of, shares of the Company and the Company shall not give, directly or indirectly, any financial assistance whether by way of loan, guarantee, providing of security or otherwise for the purpose of or in connection with any purchase of or subscription for shares in the Company or any Company of which it may, for the time being, be a subsidiary. **Company not to purchase its own shares**

#### **SHARE CAPITAL AND VARIATION OF RIGHTS**

4. The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the power to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, Preferential special rights & Conditions in such manner as may for the time being be provided by the Regulations of the Company and allowed by law. **Capital**

5. Subject to the provisions of these Articles, the shares shall be under the control of the Board of Directors who may call or otherwise dispose off the same to such persons on such terms and conditions and at such times, either at par or at premium and for such time and for such consideration as the directors think fit, and with the power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise. Provided that whether the Directors decide to increase the issued capital of the Company by the issue of further shares the provision of Section 62 of the Act will be complied with. The Directors with the sanction of the Company in General Meeting shall have full power to give to any person option or right to call for shares either at par or premium and for such period **Allotment of shares & further issue of capital by Directors**

and for such consideration as the Directors may think fit.

- |     |   |  |
|-----|---|--|
| 5A. | The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase/acquire any of its own fully paid shares.   | <b>Purchase of its own shares</b>                |
| 6.  | (i) The company may exercise the powers 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 the section and rules made thereunder.<br><br>(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.<br><br>(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.  | <b>Commission and Brokerage</b>                  |
| 7.  | With the approval of members in General Meeting by way of Special Resolution upon otherwise complying with Section 53 and 54 of the Act, the Directors may issue Sweat Equity shares at a discount, of a class already issued .   | <b>Issue of Sweat Equity shares at discount.</b> |
| 8.  | If, by the conditions of allotment of a share, the whole, or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who for the time being shall be the member registered in respect of the shares or by his executor or administrator.   | <b>Installments on shares to be duly paid</b>    |
| 9.  | Except as provided under the 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.   | <b>Trust not recognised</b>                      |
| 10. | a) Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name or, if the Board so approves, to several certificates each for one or more of such shares. In respect of any shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of the several joint holders named first one on the register shall be sufficient delivery to all such holders.<br><br>b) The Company shall within two months after the allotment of any of its shares or debentures and within one month after the application for registration of transfer/transmission of such shares or debentures and deliver the certificates of such shares or debentures allotted or transferred in accordance with procedures laid down in Section 20 of the Act. | <b>Member's right to certificate</b>             |



c) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

11. a) Notwithstanding anything contained in these Articles, the Board of Directors and/or Committee thereof may refuse an application for sub-division or consolidation of the share certificates in denomination of less than marketable lots except when such sub-division or consolidation is required to be made to comply with a statutory order or order of a competent court of law or at the discretion of the Directors in such circumstances as the Directors think fit.

**Notice of refusal in accordance with procedure laid down in Section 20 for division/consolidation and registration of transfer of shares**

b) without in any way derogation from power conferred on the Board under these Articles, the Board shall in its absolute discretion be entitled to refuse an application for transfer of less than 50 equity shares of the Company except in the following:-

i) Transfer of the equity shares made in pursuance of any provisions of law or statutory order or an order of a competent court of law.

ii) Transfer of the entire holding of equity shares by an existing equity share holders of the Company holding less than 50 equity shares by a single transfer to a single or joint names.

iii) Transfer of more than 50 equity shares in the aggregate in favour of the same transferee under two or more transfer deeds out of which one or more relates to the transfer of less than 50 equity shares.

Provided, however, that the Board shall be entitled to allow an application for transfer of less than 50 equity shares of the Company, if in the opinion of the Board, refusal of and such application is likely to result in undue hardship or prejudice to any equity shareholder.

12. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, the Board may order the same to be cancelled and issue a new certificate, in lieu thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deem adequate being given, a new certificate in lieu thereof may be given. The Company shall not charge any fees for registration of transfer of shares and debentures, for sub-division and consolidation of shares and debenture certificate and for sub-division of letters of allotment and split up, consolidation, renewal and Pucca transfer receipts into denominations corresponding to the market units of trading, for issue of new certificate in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised; for registration of any power of attorney, probate, letter of administration or similar other documents. The Company will not charge any fees exceeding those which may be agreed upon with the Exchange:

**As to issue of new certificate in place of one defaced or destroyed etc.**

- a) For issue of new certificates in replacement of those that are torn, defaced, lost or destroyed.
- c) For sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment and split up, consolidation, renewal and Pucca transfer receipts into denomination other than those fixed for market units of trading.

Provided however no certificate (s) shall be issued for shares held by the "Beneficial Owner (s)."

- |     |  |  |
|-----|--|--|
| 13. | Notwithstanding anything contained in the Articles, the Company and/or its shareholders shall be entitled to dematerialize its existing shares and rematerialize its shares held in the dematerialised form and accordingly, comply with the provisions contained in the Companies Act 2013, Depository Act, 1996 including amendments and re-enactment hereof and other applicable provisions in the Law.   | <b>Dematerialisation/<br/>Rematerialisation</b>  |
| 14. | i) If 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 three-fourths of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class.<br><br>ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be atleast two persons holding at least one-third of the issued shares of the class in question. | <b>Variation of Member's<br/>Rights</b><br><br><b>Provision as to<br/>general meetings to<br/>apply mutatis<br/>mutandis to each<br/>meeting</b> |
| 15. | 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.   | <b>Issue of further shares<br/>not to affect rights of<br/>existing members</b>  |
| 16. | Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted into equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.  | <b>Power to issue<br/>Redeemable<br/>Preference shares</b>   |

#### **JOINT HOLDERS OF SHARES**

- |     |  |                      |
|-----|--|----------------------|
| 17. | Where two or more persons are registered as joint holders (not more than four) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these articles: | <b>Joint Holders</b> |
|-----|--|----------------------|

- |   |  |
|---|--|
| (a) The Joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.   | <b>Liability of Joint Holders</b>  |
| (b) On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.   | <b>Death of one or more joint-holders</b>  |
| (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.   | <b>Receipt of one sufficient</b>   |
| (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall deemed service on all the joint-holders.   | <b>Delivery of certificate and giving of notice to first named holder</b>                        |
| (e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. | <b>Vote of Joint-holders</b>   |
| (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.  | <b>Executors or Administrators as joint holders</b>  |
| (iii) The provision of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the company registered in joint names.   | <b>Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.</b> |

### CALLS

- |  |              |
|--|--------------|
| 18. The Board may from time to time subject to the terms on which any shares/ debentures may have been issued, and subject to the provisions of Section 49 of the Act make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares/debentures held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call | <b>Calls</b> |
|--|--------------|

may be made payable by instalments and shall be deemed to have been made when the resolution of the Board authorising such call was passed.

19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. Not less than fourteen days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid. **Restriction on power to make calls**
20. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time being of the share/ debenture in respect of which the call has been made or the instalment shall be due shall pay interest for the same unless the board determines to forgo such interest at such rate as may be fixed by the Board per annum from the day appointed for the payment thereof the time of actual payment. **When interest on call or instalment payable**
21. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the share payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly. **Amount payable at fixed time or payable by instalments as call**
22. On the trial or hearing of any action or suit brought by the company against any member or his representative to recover any debt or money claimed or due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was when the claim arose in the Register as a member in respect of the number of shares in relation to which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call nor that a quorum was present at the meeting of the Board at which any call was made, nor that the meeting at which any call was duly convened or constituted, nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt. **Evidence in actions by Company Against members**
23. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money due upon the shares registered in his name beyond the sums actually called for and upon the money 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 Company may pay interest at such rate as may be fixed by the Board per annum as the members paying such sum in advance and the Board agrees upon. But money so paid in excess of the amount of the call shall not rank for dividends or participate in profits. The Board may at any time repay the amount so advanced upon giving to such members not less than three months notice in writing. **Amount call in advance**
24. A call may be revoked or postponed at the discretion of the Board. **Revocation of Calls**

## FORFEITURE AND LIEN

25. If any member fails to pay any call or instalment on or before the appointed date for the payment of the same, the Board may at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that have been incurred by the company by reason of such non payment. **Notice of non-payment of call**
26. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited. **Form of notice**
27. If the requisition of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of call or instalments, interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect. **Non- compliance with notice**
28. When any share shall have been so forfeited, notice of the resolution 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, but no forfeiture shall be in any manner invalidated by any omission or negligence to give such notice or to make such entry as aforesaid. **Notice after Forfeiture**
29. Any shares 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 in such manner as it thinks fit. **Forfeited share to become property of the Company**
30. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of annul the forfeiture thereof upon such conditions as it thinks fit. **Power to annul forfeiture**
31. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall notwithstanding, remain liable to pay and shall forthwith pay to the Company, all calls or instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture, until payment at the rate of 12 (Twelve) percent per annum and the Board may enforce the payment thereof or any part 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. **Liability on forfeiture**
32. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive 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 **Evidence of forfeiture**

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 member in respect 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 effected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

33. The Company shall have a first and paramount lien upon all the shares (other than fully paid shares) 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 Article 17 hereof will have full effect and such lien shall extend to all dividends and bonuses from time to time, declared in respect of shares, subject to section 124 of the Act. Unless otherwise agreed upon, registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. **Company's lien on Shares**
34. The Company may sell, in such manner as the Board think fit, any share on which the Company has 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 (14) 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. **Enforcement of lien by sale**
35. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (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. **Application of proceeds of sale**
36. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be damages only and against the Company exclusively. **Validity of sale in exercise of lien and after forfeiture**
37. Where any shares under the powers in that behalf herein contained are sold by the Board and the Certificate in respect thereof has not been delivered up to the Company by the former holder of the such shares, the Board may issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered up. **Issue of new Certificates**

## TRANSFER AND TRANSMISSION

38. Save as provided in Section 56 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee, has been delivered to the Company together with the Certificate or, if no such certificate is in existence, the letter of allotment of shares. The instrument of transfer of any share shall specify the name, address, and occupations (if any) of the transferee and the transferor shall be deemed to remain the member in respect of such shares until the name of the transferee is entered in the register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one creditable witness who shall, add his address and occupation. **Execution of transfer etc.**
39. Application for the registration of the transfer of a share may be made either by the transferor, or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly-paid shares, be affected unless the Company gives the notice of the application to the transferee in the manner prescribed by Section 56 of the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name and the conditions as if the application for registration of the transfer was made by the transferee. **Application for Registration**
40. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act, and of any statutory modification thereof, for the time being shall be duly complied with in respect of all transfer of shares and the registration thereof. **Form of Transfer**
41. The Board may, subject to the right of appeal conferred by the Act decline to register - **Board may refuse to register transfer**
- (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.
42. Without in any way derogating from the powers conferred on the Board under these Articles, the Board shall in its absolute discretion be entitled to refuse an application for transfer of less than 50 Equity Shares of the Company except in the following cases – **Refusal for transfer of less shares**
- a) Transfer of the Equity Shares made in pursuance of any provisions of law or statutory order or an order of a competent Court of law.
- b) Transfer of the entire holding of Equity Shares by an existing Equity Shareholder of the Company holding less than 50 equity shares by a single transfer to a single or joint names.
- c) Transfer of more than 50 Equity Shares in the aggregate in

favour of the same transferee under two or more transfer deeds out of which one or more relates to the transfer of less than 50 Equity Shares.

Provided, however, that the Board shall be entitled to allow an application for transfer of less than 50 Equity Shares of the Company, if in the opinion of the Board, refusal of such application is likely to result in undue hardship or prejudice to any Equity Shareholders.

43. No transfer shall be made to a partnership firm or a person of unsound mind. However, fully paid-up shares may be transferred in the name of a minor through his/her guardian. **No transfer to minor etc.**
44. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the share to be transferred or, if no such certificate is in existence, by the Letter of Allotment of the share and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. Every instrument of transfer which shall be registered shall be retained by the Company, but any instrument which the Board may refuse to register shall be returned to the person depositing the same. **Transfer to be left at office when to be retained**
45. If the Board refuses to register the transfer of any share, the Company shall, within seven days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal. **Notice of refusal to register transfer**
46. No fee shall be charged by the Company for the registration of transfer. **Fee for registration of transfer probate etc.**
47. The executor or administrator of a deceased member (not being one of several registered jointly) shall be the only person recognised by the Company as having any title to the share(s) registered in the name of such member, and in case of the death of any one or more of the members registered jointly in respect of any share, the survivor shall be the only person recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased member from any liability on the share(s) in respect of which he is registered jointly with any other member. Before recognising any executor or administrator, the Board may require him to obtain a grant of probate or letters of administration or other legal representation, as the case may be, from a competent Court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of probate or letters of administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider adequate. **Recognition of representative of deceased member**
48. i) Every holder of shares in, or holder of debentures of the Company may, at any time, nominate, in the prescribed manner, a person to whom his shares in, or debentures of the Company shall vest in the event of his death. **Nomination**
- ii) 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 shall vest in the event of death of all the joint holders.

iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition whether testamentary or otherwise, 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 shareholder or holder of debentures of, the Company or, as the case may be on the death of the joint holder becomes entitled to all the rights in the shares, or debentures of the Company or, as the case may be, all the joint holders, in relation to such shares in, or debentures, of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of the debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in, or debentures of, the Company, in the event of his death, during the minority.

49. Any committee or guardian of a sound mind or minor member or any person becoming entitled to or to transfer a share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient may with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share or may, subject to the regulations as to transfer herein before contained transfer such share. This article is hereinafter referred to as .The Transmission Article.

#### **Transmission Article**

50. i) If the person so becoming entitled under the Transmission Article shall elect to be registered as a member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

#### **Election under the Transmission article**

ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.

iii) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of an instrument of transfer of a share shall be applicable to any notice or transfer as aforesaid, as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

51. A person so becoming entitled under the Transmission Article to a share by reason of the death, lunacy, bankruptcy or insolvency of a member shall, subject to the provisions of Article 81 and of Section 206 of the Companies Act, be entitled to the same dividends and other advantages to which he would be entitled if he was the member

#### **Rights under the Transmission Article**

registered in respect of the share.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 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.

#### **INCREASE AND REDUCTION OF CAPITAL**

- |     |   |  |
|-----|---|--|
| 52. | The Company by Ordinary Resolution in General Meeting may from time to time alter the conditions of the Memorandum of Association to increase the capital by the creation of new shares of such amount as may be deemed expedient.  | <b>Power to increase capital</b>               |
| 53. | Subject to any special rights for the time being attached to any shares in the capital of the Company issued and to the provisions of Section 62 of the Act, the new shares may be issued upon such terms and conditions, and with such rights attached thereto as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Board shall determine, and in particular such shares may be issued with a preferential right to dividends and in the distribution of assets of the Company. | <b>Conditions of issue of new shares</b>       |
| 54. | Except so far as otherwise provided by the conditions of issue of or by these presents, any capital raised by the creation of new shares shall be considered part of the then existing capital of the Company and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien and otherwise.  | <b>New shares to rank with existing shares</b> |
| 55. | Before the issue of any new shares, the Company in General Meeting may make provisions as to the allotment and issue of the shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium or, subject to the provisions of Section 53 and 54 of the Act, at a discount; and upon default of any such provision or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of the Articles 6 hereof.                       | <b>Provisions relating to the issue</b>        |
| 56. | If owing to any inequality in the number of shares to be issued, and the number of shares held by the members entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares, or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in General Meeting, be determined by the Board.   | <b>Inequality in number of new shares</b>      |
| 57. | The Company may, from time to time, by Special Resolution reduce its Capital and any Capital Redemption Reserve Fund or Share Premium Account in any manner and with and subject to any incident authorised and consent required by law.  | <b>Reduction of Capital etc.</b>               |

### ALTERATIONS OF CAPITAL

58. The Company by Ordinary Resolution may from time to time alter the conditions of its Memorandum of Association : - **Power to sub-divide and consolidate**
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (b) Subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
  - (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 and diminish the amount of its Share Capital, by the amount of the shares so cancelled.
  - (d) increase its shares capital by the issue of new shares of such amount as it thinks expedient.
  - (e) convert all or any of its fully paid -up shares into stock and reconvert that stock and reconvert that stock into fully paid up shares of any denomination.
59. The resolution whereby any share is subdivided may determine that, as between the members registered in respect of the shares resulting from such sub-division, 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 others or other, subject, nevertheless, to the provisions of Section 43, 47 and 48 of the Act. **Sub-Division**
60. Subject to the provisions of the Act, the Board may accept surrender of shares from any member, on such terms and conditions as shall be agreed, of all or any of his shares. **Surrender of shares**

### BORROWING POWERS

61. The Board may from time to time, at its discretion, subject to the provisions of Section 73, 179, 180, 181 and 186 of the Act, raise or borrow either from the Directors or Central or State Governments, Banks or party or parties and secure the payment of any sum or sums of money for the purposes of the Company. **Directors power to borrow**
62. The Board of Directors may raise or secure the repayment or payment of any sum or sums in such manner upon such terms and conditions in all respects as they think fit and in particular by the creation of the mortgage or charge on the undertaking of the whole or any part of the property, present or future, or uncalled capital of the Company or by the issue of bonds, perpetual or redeemable, debentures or debenture stock of the Company charged upon all or any part of the property of the Company, both present and future, including its uncalled capital **Conditions on which money may be borrowed**

for the time being.

63. Any debentures or debenture stock bonds or other securities may be issued at a premium or otherwise and with any special rights as to redemption, surrender, drawing, allotment of shares, appointment of Directors and otherwise, Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that debentures with the rights to allotment of or conversion into the shares shall not be issued except in conformity with the provisions of the Section 62(3) of the Act. **Issue at premium etc. or with special privileges**
64. Save as provided in Section 56 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures. **Instrument of transfer**
65. Subject to the provisions of Section 58 & 59 of the Act Section - 22A of the Securities Contracts (Regulation) Act, 1956, the Board may, without assigning any reason, refuse to register the transfer of the debenture. **Refusal for transfer**
66. The Director shall comply with all the provisions of the Act, in respect of mortgages or charges created by the Company and registration thereof and the transfer of debentures of the Company and registers required to be kept in respect of such mortgages, charges and debentures. **Provision of Mortgages, Charges, etc.**

#### **WARRANTS**

67. Subject to the provisions of the Companies Act, 2013 and subject to any directions which may be given by the Company in General Meeting, the Directors may issue Warrants in such manner and on such terms and conditions as the Board may deem fit. **Issue of Warrants**

#### **CAPITALISATION OF PROFITS**

68. i) The company in general meeting may, upon the recommendation of the Board, resolve— **Capitalisation**
- a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - b) That such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, **Sum how applied**
- a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

- b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
  - d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
69. i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - b) Generally do all acts and things required to give effect thereto.
- ii) The Board shall have power—
- a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - b) 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 capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
  - iii) Any agreement made under such authority shall be effective and binding on such members.

**Powers of the Board for Capitalisation**

**Board's power to issue fractional certificate/coupon etc.**

**Agreement binding on members**

**GENERAL MEETING**

70. The Annual General Meeting shall be held in accordance with Section 96 of the Act and shall be called during business hours, on a day that is not a National holiday and shall be held either at the registered office of the Company or at some other place within the city or town in which registered office of the Company is situated as the Board of Directors may determine and the notices calling the meeting shall specify it as the Annual General Meeting.
71. Every member of the Company shall be entitled to attend every General Meeting either in person or by proxy, and the auditor of the Company shall have the right to attend and to be heard at any General Meeting on any part of the business which concerns him as Auditor.

**Annual General Meeting**

**Right to attend General Meeting**

72. All General Meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings. **Extra-Ordinary General Meeting**
73. The Board of Directors may, whenever they think fit, call an Extra-Ordinary General Meeting. If at any time they are not within India, Directors capable of acting who are sufficient in number to form a quorum, they may call an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board of Directors. **Right to call an Extra-Ordinary Meeting**
74. The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in sub-section (2) to Section 100 of the Act, proceed to call an Extra-Ordinary General Meeting of the Company, and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of section 100 of the Act and of any statutory modification thereto for the time being shall apply. **Calling of Extra-Ordinary General Meeting on requisition**
75. A General Meeting of the Company may be called by giving not less than 21 days notice in writing. However, a General Meeting may be called after giving a shorter notice than of 21 days, if consent is accorded thereto by Members of the Company holding not less than 95% of such part of the paid-up share capital of the Company as giving them a right to vote at the meeting. **Notice of General Meeting**
- Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be passed at the meeting and not on the others, those members shall be taken into account for the purpose of this article in respect of the former resolution or resolutions but not in respect of the latter.
76. Every notice of meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat. **Contents of Notice of General Meeting**
77. The ordinary business of an Annual General Meeting shall be to receive and consider the Balance Sheet and Profit & Loss Account, the report by the Board and by the Auditors, to appoint Directors in place of those retiring by rotation, to appoint auditor or auditors and fix his/their remuneration and to declare dividends. Other business transacted at Annual General Meeting and all business transacted at any other general meeting shall be deemed to be special business. Whenever any special business is transacted at a General Meeting, all the provisions of Sections of Section 102 of the Act and any statutory modification thereof for the time being shall apply. **Special business**
78. i) Subject to the provisions of Section 101 and 105 of the Act, notice of every meeting of the Company shall be given to such persons and in such manner as provided by Section 101 of the Act. Where any business consists of special Business as hereinafter defined in Article 77 there shall be annexed to the notice a statement complying with Section 102 (2) and (3) of the Act. **Service of Notice**
- ii) Notice of every meeting shall be given to every member of the Company in any manner authorised by Section 20 of the Act. It shall be

given to persons entitled to the share in consequence of the death or insolvency of a member, by sending through post in a pre-paid envelop, addressed to them by name or by the title of the representatives of the deceased or the assignees of the insolvent or by any like description, at the address in India, if any, supplied for the purpose by the persons claiming to be so entitled or unless such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred.

79. Notice of every meeting of the Company shall be given to the auditor or Auditors for the time being of the Company in the same manner as authorised by Section 20 for giving notice to any member or members of the Company. **Notice to be given to the Auditors**
80. The accidental omission to give notice of any meeting to or the non receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting. **Omission to give notice not to invalidate meeting**
81. Where by any provision contained in the Act or in these Articles, special notice is required of any resolution; notice in respect of the same shall be given to the Company and by the Company to the members as provided in the Act. **Resolutions requiring special notice**
82. Except as is provided hereinafter, all resolutions of General Meetings shall be adopted by an affirmative vote of the holders of a majority of the total issued and Paid-up Shares, present in person or by proxy, at such meeting. **Adoption of Resolutions**
83. No business shall be transacted at any General Meeting, unless the requisite Quorum is present at the time when the meeting proceeds to business. Save as otherwise provided in the Act, the Quorum for General Meeting shall be same as provided in Section 103 of the Act. **Quorum**
84. If, within half an hour from the time appointed for holding the meeting, a quorum be not present, the meeting, if convened upon a requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine. **If quorum not present when meeting to be dissolved and when to be adjourned**
85. If at such adjourned meeting, a quorum of members is not present within half an hour from the time appointed for holding meeting, the members present, whatever their number not being less than two, shall be the quorum, and may transact the business, and decide upon all matters which could properly have been disposed off at the meeting from which the adjournment took place, if a quorum had been present thereat. **Adjourned meeting to transact business even if no quorum present**
86. The Chairman of the Board if any, shall, if present and willing, be entitled to take the chair at every general Meeting, whether Annual or Extra-Ordinary, but if there be no such Chairman or in case of his not being present or being unwilling to take the chair with fifteen minutes of the time appointed for holding such meeting, the members present shall choose another Director as Chairman, and if all the Directors
- Chairman of General Meeting**

present decline to take the chair or if there be no Director present then the members present shall choose one of their own number to be Chairman of the meeting. If a poll is demanded it shall be taken forthwith in accordance with the provisions of Article 88, the chairman elected on a show of hands shall exercise all the powers of the Chairman for the purpose of such poll. If some other person is elected Chairman as a result of such poll, he shall be Chairman for the rest of the meeting.

87. No business shall be transacted at any General Meeting except the election of Chairman, whilst the Chair is vacant. **When chair is vacant business confined to election of Chairman**
88. The chairman may, with the consent of a majority of the members personally present at any meeting, adjourn such meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the Company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. **Chairman with consent of members may adjourn meeting**
89. Whenever any meeting is adjourned for thirty days or more, notice of such adjourned meeting shall be given as is in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of any adjourned meeting or of the business to be transacted at an adjourned meeting. **Notice of adjournment**
90. Any act or resolution which, under the provisions of these Article or the Act, is permitted or required to be done or passed by the Company in general meeting shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 114 (1) of the Act, unless either the Act or these Articles specifically require such act to be done or resolution passed as a Special Resolution as defined in Section 114 (2) of the Act. **Resolution to be passed by Company in general meeting**
91. 1) Subject to any rights or restrictions for the time being attached to any class or classes of shares - **Voting to be by show of hands and on poll**
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company
- 2) A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once. **Voting through electronic means**
92. 1) Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting on his own motion, and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holdings share in the Company. **Poll**



- (i) Which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or
- (ii) On which an aggregate sum of not less than Rs 500,000 has been paid-up.

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

**Withdrawal of demand for poll**

3) If the poll is duly demanded, the same, if on the election of Chairman of a meeting or on any question of adjournment, shall be taken forthwith at the meeting and without adjournment, and on any other question shall be taken in such manner and at such time and place, and either at once, or after an interval or adjournment not being latter than forty-eight hours from time when the demand was made, as the Chairman of the meeting, who subject to the provisions of the Act, shall have power to regulate the manner in which a poll shall be taken, shall direct.

**Time of taking poll**

4) Every such poll may be taken either by open voting or by ballot as the Chairman of the meeting at which the poll was demanded may direct. The result of the poll shall be deemed to be the decision of the meeting of the resolution on which the poll was taken.

**Poll how to be taken**

5) Two scrutinizers shall be appointed by the chairman to scrutinize the votes given on the poll and to report to him. The chairman shall have the power at any time before the result of the poll is declared to remove a scrutinizer from the office and to fill the vacancies in the offices of the scrutinizer arising from such removal or from any other cause. At least one scrutinizer shall be a member present at the meeting being an officer or employee of the Company, provided such member is available and willing to be so appointed.

**Appointment of scrutinizers**

6) The decision of the chairman on any difference between the scrutinizers shall be conclusive.

**Chairman decision to be conclusive**

7) The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

**Other business may proceed notwithstanding demand of poll**

93. In case of equity of votes, the Chairman of any meeting shall, both on the show of hands and at a poll (if any) held pursuant to a demand made at such meeting, have a casting vote in addition to the votes to which he may be entitled as a member.

**Casting Vote of the Chairman**

94. The Company shall cause minutes of the proceedings of every General meeting to be entered in a book kept for that purpose and the minutes shall contain and include the matters specified in Section 118 of the Act.

**Minutes of General Meeting**

95. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting –  
 (a) is, or could reasonably be regarded, as defamatory of any person; or  
 (b) is irrelevant or immaterial to the proceedings; or is detrimental to the interest of the Company. **Certain matters not to be included in minutes**
96. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause. **Discretion of Chairperson in relation to minute**
97. The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any member without charge as provide in Section 119 of the Act and any member shall be furnished with a copy of any minutes in accordance with the terms of that section. **Books of Minutes of General Meeting to be kept**

### **VOTES OF MEMBERS**

98. No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll 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. **Indebted members not to vote**
99. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in unsoundness of mind, may vote, whether on a show of hands or at a poll, by his committee or other legal guardian. **vote of a person of unsound mind**
100. 1) A body corporate (whether a company within the meaning of the Act or not) by a resolution of its Board of Directors or other governing body, authorise such persons 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 (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditors or holder of debentures of the Company. **Representation of Corporation**
- 2) Where the President of India or the Governor of a State is a member of a Company, the President or, as the case may be, the Governor may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such member shall be deemed to be a member of the Company and shall be entitled to exercise the same right and powers, including the right to vote by proxy, as the President or, as the case may be, the Governor could exercise as member of the Company.
- 3) Where any shares in the Company are held in trust by a person (hereinafter referred to as the trustee) the rights and powers (including the right to vote by the proxy) exercise at any meeting of any class of members of the Company by the Trustee as a member of the Company shall be exercisable in the manner provided in the Act.

101. The voting rights of every member shall be governed by the provisions of Section 47 and other applicable provisions of the Act for the time being in force. **Votes of members**
102. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or the proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all votes or cast in the same way all the votes he uses. A member or his proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the company at the time he casts any votes. **Right to use vote differently**
103. Where there are joint registered holders of any share, any one of such persons may vote at any meeting in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting, than one of the said persons so present whose name stands first on the register in respect of such shares shall alone be entitled to vote in respect thereof. Where there are several executors or administrators of a deceased member in whose sole name any shares stand, any one of such shares unless any other of such executors or administrators is present at the meeting at which such a vote is tendered and objects to the vote. **Joint-holders**
104. Any person entitled under the Transmission Article to transfer any shares shall not be entitled to be present, or to vote at any meeting either personally or by proxy, in respect of such shares, unless at least forty-eight hours before the time for holding the meeting or adjourned meeting, as the case may be, at which he proposes to be present and to vote, he shall have satisfied the Board of his right to transfer such shares (as to which the opinion of the Board shall be final) or unless the Board shall have previously admitted his right to vote in respect thereof. **Vote of a person entitled to a share on transmission**
105. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself, but a proxy so appointed shall not have any right to speak at the meeting. Such proxy shall not be entitled to vote except on a poll. **Proxies**
106. The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorized in writing. If the appointer is a body corporate, such instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it or by the person authorised to act as the representative of such Company under Article 93. **Instrument of proxy to be in writing**
107. 2) Any instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand for a poll on behalf of the appointer. **Proxy may demand poll**
108. No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall have been deposited at **Instrument appointing a proxy to be deposited at the office**

the Registered Office of the Company, at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of poll, not less than twenty-four hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney at least seven days before the date of a meeting require him to produce the original power of attorney or authority and unless the same is thereupon deposited with the Company, the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

109. If such instrument of appointment be confined to the object of appointing an attorney or proxy or substitute, it shall remain, permanently or for such time as the Board may determine, in the custody of the Company and if embracing other objects, a copy thereof, examined with the Original, shall be delivered to the Company to remain in its custody. **Custody of the instrument of appointment**
110. The instrument appointing a proxy shall be in form as prescribed in the rules made under Section 105 of the Act. **Form of Proxy**
111. A vote given in pursuance of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of the proxy or any power of attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given, provided no intimation in writing of the death, revocation, or transfer shall have been received at the Registered Office of the Company before the vote is given. **Vote of proxy how far valid**
112. No objection shall be made to validity of any vote, except at the meeting/adjourned meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll, shall be deemed valid for all purpose of such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever. **Validity of vote**
113. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of poll shall be the sole judge of the validity of every vote tendered at such poll. **Chairman sole judge of the validity of votes**

#### **DIRECTORS**

114. Subject to Section 149 of the Act, the number of the Directors of the Company shall not be less than three and not more than fifteen. Provided that this limit of 15 Directors can be increased by way of special resolution at a general meeting. **Number of Directors**
115. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company. **"Same individual may be Chairperson and Managing**

**Director/  
Chief Executive  
Officer"**

116. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being except Independent Directors, as are liable to retire by rotation or if their number is not three or a multiple of the three then the number nearest to one-third shall retire from office subject to Section 152(6) of the Act. The Directors to retire at every Annual General Meeting shall be those (other than Special Director who by virtue of the provisions of these Articles or of any agreement with any Central or State Government or Bank or Financial Institution are not liable to retire by rotation) who shall have been longest in office since their last appointment. As between persons who became Directors on the same days those who are to retire (in default of and subject to any agreement among themselves) be determined by lot. For the purpose of this Article a Director appointed to fill a casual vacancy shall be deemed to have been in office since the date on which the Director, in whose place he was appointed was last elected as a Director. Retiring Directors shall retain office until the conclusion of the Meeting at which his re-appointment is decided or his successor is appointed.

**Proportion to retire  
by rotation**

117. The persons hereinafter named shall become and be the first Directors of the Company, that is to say

**First Directors**

1. SHRI LACHHMANDASS OSWAL
2. SHRI VIDYASAGAR OSWAL
3. SHRI RATTAN CHAND OSWAL
4. SHRI DHARAMPALOSWAL
5. SHRI TEJPAL OSWAL
6. SHRI RAJPAL OSWAL
7. SHRI DARSHAN KUMAR OSWAL

118. Notwithstanding anything contrary contained in these Articles, so long as any moneys remain owing by the Company, the Financial institutions/ banks shall have a right to appoint, from time to time, any person or persons as a Director or Directors, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as nominee Director/s) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

**Nominee Directors**

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Financial institutions/banks such Nominee Director/s shall not be required to hold any share qualification in the Company. Such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject to aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Financial institutions/banks or so long as the Financial institutions/banks

holds debentures in the Company as a result of direct subscription or private placement or so long as the Financial institutions/banks holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso-facto vacate such office immediately the moneys owing by the Company to the Financial institutions/banks is paid off or on the Financial institutions/banks ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Financial institutions/banks.

The Nominee Director/s appointed under this Article shall be entitled to receive all notice of and attend all General Meetings, Boards Meetings and of the meeting of the Committee of which the Nominee Director/s is /are member's as also the minutes of such meetings. The Financial institutions/banks shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director/s shall accrue to the Financial institutions/banks and same shall accordingly be paid by the Company directly to the Financial institutions/banks any expenses that may be incurred by the Financial institutions/banks or such Nominee Director's in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Financial institutions/banks, or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Financial institutions/banks the sitting fees, in relation to such Nominee Director/s shall also accrue to the Financial institutions/banks and the same shall accordingly be paid by the Company directly to the Financial institutions/banks.

Provided also that in the event of the Nominee Director/s being appointed as whole-time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Lenders and have such rights as are usually exercised or available to a whole time Director, in the Management of the Borrower such Nominee Director's shall be entitled to receive such remuneration, fee, commission and moneys as may be approved by the Lenders.

119. The Board shall have power, from time to time and at any time, to appoint any person as a Director as an addition to the Board but so that the total number of Directors not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-appointment.

**Additional Directors**

120. The remuneration of every Director for attending a meeting of the Board or its Sub-committee shall be such sum as the Board may decide

**Director's fees and Remuneration**

- from time to time, however, subject to maximum fee such sum as may be prescribed by the Act from time to time for a meeting of the Board or any sub-committee thereof. In addition, each Director shall be entitled to be reimbursed his reasonable travelling and hotel and other expenses in consequence of his attendance at meeting of the Board or any sub-committee thereof and otherwise in execution of his duties as may be fixed by the Board of Directors from time to time. **expenses**
121. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of residence for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a committee of the Board then, subject to sections 197 of the Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be, either in addition to or in substitution for any other remuneration to which he may be entitled. **Remuneration for extra services**
122. The Continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum above fixed, the Director shall not, except for the purpose of filling vacancies or for summoning a General Meeting, act, so long as the number is below the minimum. **Board may act notwithstanding vacancies**
123. The Office of a Director shall ipso facto become vacant if at any time he commits any of the acts set out in Section 167 of the Act. **Vacation of Office of directors**
124. A Director may, at any time, resign his office by notice in writing served on the Company at its Registered Office and also to intimate Registrar of Companies. **Resignation of Director**
125. A Director of the Company may be or become a Director of any Company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such Company, except in so far as Section 197(14) or Section 188 of the Act may be applicable. **When Director of the Company appointed Director of any other Company**
126. Subject to the provisions of Section 188 of the Act, a Director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director or a firm, in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or director be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office of the judiciary relation thereby established. **Contract between Director and the Company**
127. Every Director, who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the **Disclosure of a Director's interest**

nature of his concern or interest at a meeting of the Board as required by Section 184 of the Act. A general notice, renewable in the last month of each financial year of the Company, that a Director is a Director or a member of any specified body corporate or is member of any specified firm and is to be regarded as concerned or interested in any subsequent contract or arrangement with that body corporate or firm shall be sufficient disclosure of concern or interest in relation to any contract or arrangement so made and after such general notice, it shall not be necessary to give special notice relating to any particular contract or arrangement with such body corporate or firm provided such general notice is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

128. Subject to the Provision of Section 188, 196 & Schedule V of the Act, the Board of Directors may from time to time, appoint one or more of them as Managing Director or Directors on such remuneration and on such other terms and conditions as the Board may deem fit subject to approval by shareholders. The Board may subject to any contract between such director and the Company, remove or dismiss him and appoint another in his place. **Managing/Whole Time Director**
129. The Board of Directors may from time to time entrust to and confer upon the Managing Director/Whole Time Director for the time being, such of the powers exercisable under these Articles by the Directors as they think fit and may confer such power for such objects and purposes and upon such terms and conditions and with such restrictions as they thinks expedient, and they may confer such powers either collaterally with or to the exclusion of or in the substitution for all or any of the powers of the Directors in that behalf, and may from time to time, revoke, withdraw, alter or vary all or any of such powers. Unless and until otherwise determined by the Board of Directors, the Managing Director/Whole Time Director may exercise all powers exercisable by the Directors save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves. The Board of Directors may, whenever there are more than one Managing Director/Whole Time Director, decide whether they should act jointly or severally and may if they thing fit delegate powers separately to one or more Managing Director/Whole Time Director. **Power of Managing Director/Whole Time Director**
130. The remuneration of a Managing/Whole-Time Director shall be such as may from time to time be fixed by the Board subject to the provisions of the Act. **Remuneration of Managing/Whole time Director**

#### **ROTATION OF DIRECTORS**

131. At each 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, then the number nearest to one third shall retire from office. **Rotation and Retirement**

Provided that Independent Directors and Nominee Directors of the Company shall not be liable to retire by rotation.



132. At a general meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution, and the provisions of Section 162 of the Act in this behalf shall apply in all respects. **Single resolution for the appointment of several Directors prohibited**
133. The Company at the Annual General Meeting at which a Director retires by rotation in manner aforesaid, may fill the vacated office appointing the retiring Director or some other person thereto. **Vacancies**
- If the place of the retiring Director is not so filled and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public-holiday, till the next succeeding day which is not a public-holiday, at the same time and place. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless –
- a) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the vote and lost; or
  - b) the retiring Director has by notice in writing addressed to the Company or the Board expressed his unwillingness to be re-appointed; or
  - c) he is not qualified or is disqualified for appointment; or
  - d) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act; or
  - e) the provision to Section 162(2) of the Act, is applicable to the case.
134. The Company may subject to the provisions of Section 169 of the Act, by ordinary resolution of which special notice has been given, remove any Director before the expiration of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his place; if the Director so removed was appointed by the Company in General Meeting or by the Board under Article 133. The person so appointed shall hold office until the date upto which his predecessor would have held office, if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy under the provisions of Article-135. **Power to remove Director**
135. If any Director appointed by the Company in General Meeting vacates his office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled by the Board but any person so appointed shall retain this office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such vacancy by appointing thereto any person who has been removed from the office **Power to fill casual vacancies**

of Director under Article 134.

136. 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 neither less than fourteen days nor more than two months before the meeting, left at the office 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 the office, as the case may be, alongwith the deposit of Rs. 1,00,000/- which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director.
- Notice of proposed appointment**

#### **ALTERNATE DIRECTORS**

137. The Board may appoint an Alternate Director to act for a Director (hereinafter called the "Original Director") during the latter's absence for a period of not less than three months from India and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India in which meetings of the Board are ordinarily held. If the term of office of the Original Director is determined before he so returns to the State in which the meetings of the Board are ordinarily held, any provisions in the Act, or in these Articles for the automatic reappointment of retiring Directors in default of another appointment of retiring Director shall apply to the Original Director and not to the Alternate Director.
- Power to appoint alternate director**

#### **PROCEEDING OF DIRECTORS**

138. The Board may meet for the dispatch of business from time to time and shall meet at least four times every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings and they may adjourn and otherwise regulate their meeting and proceedings as they think fit.
- Meetings of directors**
139. Notice of every meeting of the Board shall be given to the Directors in accordance with the provision of Section 173 of the Act.
- Summoning of Board Meeting**
140. The agenda of the Board Meeting shall set out the business(es) proposed to be transacted at the meeting of the Board and unless otherwise agreed by a majority on the Board, any item not included in the agenda of a meeting shall not be considered or voted at that meeting of the Board.
- Agenda of Meetings**
141. The Board may appoint a Chairman of its meeting and determine the period for which he is to hold office. If no Chairman is appointed or if at any meeting of the Board, Chairman be not present within five minutes after the time appointed for holding the same, the Director present shall choose someone of their number to be the Chairman of such meeting.
- Chairman of meeting**

142. Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and fraction contained in that one third being rounded off as one), or two Directors, whichever is higher and the participation of the Directors by video conferencing or by other audio visual mean shall also be counted for the purpose of quorum in case the meeting is conducted in accordance with provisions of the Act, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the Directors who are interested, present at the meeting being not less than two, shall be the quorum during such time. **Quorum**
143. A meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board. **Acts of Meeting**
144. Subject to the provisions of Sections 316, 372(4) and 386 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the Board shall have a second or casting vote. **Decision**
145. The Board may from time to time delegate any of their powers to Committee consisting of such member or members of their body as they think fit, and may from time to time revoke such delegation. 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. **Delegation Committees of**
146. The meetings and 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 under the last preceding Article. **Proceedings Committees of**
147. Act done by a person as a director shall be valid, notwithstanding that it may after wards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions contained in the Act or in these Articles. 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 terminated. **Validity of acts of Director**
148. No resolution shall be deemed to have been passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee, a majority of such of them as are entitled to vote on the resolution. **Resolution Circulation by**

#### **MINUTES**

149. 1) The Board shall in accordance with the provisions of Section 118 **Minutes to be made**

of the Act, cause minutes to be kept of proceedings, of every General Meeting of the Company and of every meeting of the Board or of every committee of the Board.

- 2) Any such minutes of any meeting of the Board or of any committee of the Board or of the Company in General Meeting, in purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be evidence of the matters stated in such minutes. The minutes books of general meetings of the Company shall be kept at the office and shall on his giving to the Company not less than twenty-four hours previous notice in writing of his intention to inspect, be open to inspection by any member on business days between the hours of 10.30 A.M. and 12.30 P.M.

**By whom minutes to be signed & the effect of minutes recorded**

### **POWERS OF DIRECTORS**

150. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other Statute or by the Memorandum of the Company or by these Articles 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 provisions in that behalf contained in the Act or any other Statute or in the Memorandum of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made there under, including regulations made by the Company in General Meeting, but no regulation 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.

**General Power**

### **CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

151. Subject to provisions of the Act,-
- (i) A chief executive officer, company secretary or chief financial officer may be appointed by the Board for such terms, at such remuneration and upon such conditions as it thinks fit; and any chief executive officer, 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, company secretary or chief financial officer.
152. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, company secretary or chief financial officer.

**Chief Executive Officer etc.**

## LOCAL MANAGEMENT

153. Subject to the provisions of the Act, the following regulations shall have effect :-
- Local Management**
- 1) 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.  
**Management of Affairs**
  - 2) The Board may, from time to time and at any time establish any local directorates or Committees for managing any of the affairs of the Company outside India, or in any specified locality in India, and may appoint any persons to be members of such local Directorate or any Managers or agents and may fix their remuneration and, save as provided in section 179 of the Act, the Board may, from time to time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in any such Local Directorate 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 such delegation.  
**Local Directors**
  - 3) The Board may, at any time and from time to time, by power of attorney under seal, appoint any persons to be the Attorney of the Company for such purposes and with such powers, authorities and directions (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, think fit, any such appointment may, if the Board thinks fit, be made in favour of the members or any of the members of any local Directorate established as aforesaid, or in favour of any Company or of the members, directors, nominees or officers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and such power-of Attorney may contain such provisions for protection or convenience of persons dealing with such attorneys as the Board thinks fit, of the members or any of the members of any local Directorate established as aforesaid, or in favour of any Company or of the members, directors, nominees or officers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and such power-of Attorney may contain such provisions for protection or convenience of persons dealing with such Attorneys as the Board thinks fit.  
**Power of Attorney**
  - 4) Any such delegates or Attorneys aforesaid may be authorised by the Board to sub delegate all or any of the powers, authorities and discretions for the time being vested in them.  
**Sub-delegation**

- 5) The Company may exercise the powers 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 Members or Debenture-holders resident in any such State or Country and the Board may, from time to time, make such regulations as it may think fit respecting the keeping of any such Foreign Register, 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 and shall, in any case comply with the provisions of the Act.

**Seal for use  
abroad/Foreign  
Register**

#### **THE SEAL**

154. a) The Board of Directors shall provide for a seal for the purpose 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 Managing Director shall provide for the Safe custody of the seal for the time being and the seal shall, except as otherwise provided under the Act or rules thereunder, never be used except by the authority of a resolution of the Directors or of a Committee of the Directors previously given. Provided, nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching upon the authority of the Directors to issue the same.
- b) Every deed or other instrument to which the seal of the Company is required to be affixed, shall not be affixed except in the presence of two Directors and shall unless the same is executed by a duly constituted attorney of the Company, be signed by two directors. Provided nevertheless that certificate of title to shares may be sealed and signed and certificates of Debentures may be signed by one Director only or by an attorney of the Company duly authorised in this behalf.

**Custody of Seal etc.**

**Affixation of Seal**

#### **BOOKS OF ACCOUNTS**

155. The Board shall cause proper books of accounts to be kept in accordance with the provisions of Section 128 of the Act.
156. The books of accounts shall be kept at the registered office or at such other place in India as the Board may decide and when the Board so decides, the Company shall, within seven days of the decision file with the Registrar of Companies a notice in writing giving the full address of that other place.

**Books of accounts to  
be kept**

**Where to be kept**

157. (a) The books of account shall be open to inspection by the Director during business hours. **Inspection by Directors**
- (b) 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 Books of Account and books other than those referred to in Articles 156 shall be open to the inspection of the members not being Directors and no member (not being a Director) shall have any right of inspecting any books of account or books or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

#### **ACCOUNTS AND BALANCE SHEET**

158. 1) At the Annual General Meeting in every year the Board shall lay before the Company a Balance Sheet and Statement of Profit and Loss in the forms and giving the information required by the Act made up to date not earlier than the date of the meeting by more than six months, subject to the right of the Registrar to extend the period for any special reason by a period not exceeding three months. **Accounts and Balance Sheet**
- 2) The Statement of Profit and Loss shall, in addition to showing the remuneration paid to the Directors and Managing Director/Whole Time Director and others and the total amount written off for depreciation, so arranged under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been derived, and the amount of gross expenditure distinguishing the expenses of establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account; so that a just balance of profit and loss may be laid before the meeting and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be so stated with the addition of the reason why only a portion of such expenditure is charged against the income of the year. **Statement of Profit & Loss**
- 3) The Auditor's Report shall be attached to the Balance Sheet and Statement of Profit and Loss or there shall be inserted at the foot thereof a reference to the report, shall be read before the Company in General Meeting and shall be open to inspection by any shareholder. **Auditor's Report to be attached to Balance Sheet**
159. Every such Balance Sheet and Statement of Profit and Loss shall be accompanied by a Report of Directors as to the state and condition of the Company and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend to the members, and the amount (if any) which they propose to carry to any reserve fund and the annual report and balance sheet shall be signed on behalf of the Board of Directors by the Manager or Secretary, if any, and by not less than two Directors of the Company, one of whom shall be the Managing Director/Whole Time Director, if there is one. When only one Director is for the time being in India, the Balance Sheet and Statement of Profit and Loss shall be signed by such Director. Whenever any such Balance Sheet and Statement of Profit and Loss is signed by one Director only there shall be subjoined thereto a **Annual Report of Directors**

statement signed by such one Director explaining the reason why it has not been signed by a second Director.

160. A copy of such Statement of Profit and Loss and Balance Sheet so audited, together with the Reports of the Auditors and Directors shall at least twenty one days previously to the meeting be sent to the registered address of every registered holder of shares of the Company and a copy shall be deposited at the office for the inspection of members of the Company during a period at least twenty one days before the meeting. Holders of debentures of the Company and their trustee shall have the same right to receive copies of and to inspect such account, balance sheet and report as is possessed by the holders of Equity shares of the Company unless the requirements of the provision (b) (iv) of Section 136 of the Act are complied with.

**Copies to be sent to members and deposited at the Regd. Office**

161. After the Balance Sheet and Statement of Profit and Loss have been laid before the Company at the General Meeting, a copy of such Balance Sheet and Statement of Profit and Loss signed by the Managing Director/Whole Time Director, Manager or Secretary of the Company or there be none of these, by a Director of the Company or together with copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Statement of Profit and Loss shall be filed with the Registrar at the same time as a copy of the Annual Return referred to in section 92 of the Act.

**Copies of Balance Sheet to be filed**

#### **AUDIT**

162. Once at least in every year the books of the Company shall be examined by one or more auditor or auditors.

**Audit**

163. The Company shall appoint an Auditor or Auditors at the Annual General Meeting in accordance with the provisions of Section 139 of the Act and his or their appointment, remuneration, rights and duties shall be regulated by Sections 139 to 147 of the Act. Where the Company has branch office the provisions of Section 143(8) of the Act shall apply.

**Appointment and remuneration of Auditors**

164. All notices or the other communications relating to any General Meeting of the Company which any member is entitled to have sent to him shall also be forwarded to the Auditor 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.

**Attendance at General meeting**

165. The report by the Auditors shall be read before the Company in General Meeting and shall be open to inspection by any member.

**Report to be read**

166. Every Balance Sheet and Statement of Profit and Loss when audited and approved by a General Meeting shall be conclusive.

**When accounts to be deemed conclusive**

#### **DIVIDENDS**

167. The Profits of the Company, subject to any special rights relating thereto created or authorised to be created by these articles, and

**Division of Profits**



subject to the provisions of these articles as to the reserve fund, shall be divisible among the members in proportion to the amount of capital paid upon the shares held by them respectively at the date of declaration of the dividend.

- |      |   |   |
|------|---|---|
| 168. | When capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profit.   | <b>Capital paid in advance of calls</b>                         |
| 169. | The Company in General Meeting may declare dividend to be paid to the members according to their rights and interests in the profits and may, subject to the provisions of Section 126 and 127 of the Act, fix the time for payment.  | <b>Declaration of Dividends</b>                                 |
| 170. | No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.   | <b>Restriction on amount of dividend</b>                        |
| 171. | No dividend be payable except out of the profits of the Company of the year or any other undistributed profits, and no dividend shall carry interest as against the Company.  | <b>Dividend out of profits only &amp; not to carry interest</b> |
| 172. | The declaration of the Board as to the amount of the net profits of the Company in any year shall be conclusive.  | <b>What to be deemed net profit</b>                             |
| 173. | The Board may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.   | <b>Interim dividends</b>  |
| 174. | The Board may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.   | <b>Debts may be deducted</b>                                    |
| 175. | Board may retain the dividend payable upon shares in respect of which any person is under the Transmission Clause entitled to become member for which any person under that clause is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.  | <b>Company may retain dividends</b>                             |
| 176. | Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the call. The making of the call under this Article shall be deemed ordinary business of any ordinary meeting which declares a dividend. | <b>Dividend and call together</b>                               |
| 177. | The dividends shall be payable in accordance with Section 123 of the Companies Act, 2013.   | <b>Dividends in specie</b>                                      |
| 178. | A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.  | <b>Effects of Transfer</b>                                      |

179. Any one of several persons, who are registered as joint holders of any share or the manager of any members business may give effectual receipts for all dividends and payment on account of dividends in respect of such shares. Provided that the Managing Director may, in his discretion, refuse to pay any money or deliver any property by way of dividend to any person other than the member personally. **Any one of Joint holders can give receipts**
180. Unless otherwise directed, any dividend may be paid by cheque, warrant, electronic transfer or postal money-order sent through the post to the registered address of the member or person entitled thereto, or in case of the joint holders to the registered address of the one whose name stands first on the register in respect of the joint holding or to such address of the member or person entitled or such joint holders, as the case may be, may direct, and every cheque or warrant or electronic transfer so sent/made shall be made payable to the order of the person to whom it is sent. Subject to the provisions of the Articles, no dividends shall be payable to any person whose name does not appear on the register of shareholders. **Payment by post or electronic mode**
181. The payment of every cheque or warrant or electronic transfer so sent/made under the provisions of these Articles, shall, if such cheque or warrant or electronic transfer purports to be duly endorsed, be a good discharge to the Company in respect thereof; provided nevertheless that Company shall not be responsible for the loss of any cheque, dividend warrant or postal money-order which shall be sent by post to any member or his order to any other person in respect of any dividend. **Payment as above good discharge**
182. The Company shall comply with the provisions of Section 124 of the Act in respect of unpaid or unclaimed Dividend. **Unclaimed Dividend**

#### **DOCUMENTS AND NOTICE**

183. a) A document or notice may be served on or given by the Company to any member or being a corporate body an officer thereof either personally or by 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. **Service of documents or Notices on Members by the Company**
- b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying 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 the certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and, unless the contrary is proved, such service shall be deemed to have been effected in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the 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.

184. A document or notice advertised in the newspaper circulating in the neighborhood of the office 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 the service of documents on or the sending of notices to him. **By advertisement**
185. A document or notice may be served or given by a Company on or 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 Joint holders**
186. 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 the post in a pre-paid letter addressed to 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 so 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. **Notice on personal representative etc.**
187. Notice of every General Meeting shall be served or given in same manner hereinbefore authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a Member and (c) the auditor or auditors for the time being of the Company. **To whom notice must be served or given**
188. 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 for such purpose and signature may be written, printed or lithographed. **Documents or notice by Company and signature thereto**

#### **RECONSTRUCTION, COMPROMISES, ARRANGEMENTS AND AMALGAMATION**

189. Subject to the provisions of the Act, on any sale of the undertaking or the Company, the Directors or the Liquidators on winding-up may, if authorized 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. The Liquidators (in a winding-up) may distribute such shares, securities or any other property of the Company amongst the contributories without realization or vest the same in trustees for them and may if authorised by Special resolution provided for the distribution or appropriation of such shares or other securities, benefit or property otherwise than in accordance with the strict legal rights of the contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and the Contributories shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation thereto, save such statutory rights (if any) under the **Power to compromise, arrangements, amalgamation and Reconstruction**

Act as are incapable of being varied or excluded by these presents.

The Company shall also have the power to compromise or make arrangements with creditors and members amalgamate or merge with other company or companies in accordance with the provisions of this Act and with any other applicable laws.

#### **WINDING UP**

190. Upon the winding up of the Company the holders of Preference Shares, if any, shall be entitled to be paid all arrears of preferential divided up to the commencement of winding up and to be repaid the amount of capital paid up or credited as paid upon on such preference shares held by them respectively, in priority to the Equity Shares but shall not be entitled to any other further rights to participate in profits or assets; subject as aforesaid and to the rights of any other holders of shares entitled to receive preferential payment over the Equity Shares. In the event of the winding up of the Company, the holders of the Equity Shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited as paid up on such Equity shares respectively at the commencement of the winding up. If the assets shall be insufficient to repay the whole of the paid-up Ordinary Capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members holding Equity Shares in proportion to the capital paid-up or which ought to have been paid- up on the Equity Shares held by them respectively at the commencement of the winding up, other than the amount paid by them in advance of calls. **Distribution of Assets**
191. If the Company shall be wound up, whether voluntarily or otherwise, the Liquidators may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide among the contributories in specie or kind, 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 trust for the benefit of the contributories, or any of them as the Liquidators, with the like sanction, shall think fit. **Distribution of Assets in species**

#### **INDEMNITY**

192. Subject to provisions of Section 197 of the Act, every Director, Manager, Company Secretary and other Officer or employee of the Company shall be indemnified against, and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses (including travelling expenses) which any such Director, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or them as such Directors, Managers, Secretary, officer or employee in defending any proceedings, whether civil or criminal, in which judgment is given in his or their favour or he or they is or are acquitted, or in connection with any application under **Indemnity**

Section 463 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

193. Subject to the provisions of Section-197 of the Act and so far as such provisions permit, no Director, Auditor, Manager or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage occasioned by an error of judgment, omission, default or oversight on his part or for any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty or willful default.

**Individual  
responsibility        of  
Directors**

#### **SECRECY**

194. Subject to the provisions of these Articles and the Act, No member or other persons (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of the trade secret, mystery of trade or secret process of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board, it will be inexpedient in the interest of the Company to communicate.

**No Member to enter  
the premises of the  
Company        without  
permission**

195. Every Director, 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 Directors or Managing Director, sign a declaration pledging himself to observe a strict secrecy respecting all 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 matters which may come to his knowledge in the discharge of the duties except when required to do by the Directors by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained or the Act.

**Declaration of Secrecy**

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

Sr. No.	Name, Addresses description and occupation of the subscribers	Number of Shares taken	Signature of subscriber	Signature of witnesses and occupations
1	Lachhman Dass Oswal S/o L. Assa Ram Business. B-IV, 538 Brahampuri, Ludhiana.	200 Equity Shares	Sd/- Lachhman Dass Oswal	Sd/- N.S. Agal Chartered Accountant 21-Daryaganj, New Delhi 11006
2.	Vidya Sagar Oswal  S/o Sh. Assa Ram Business. Mohalla Vakilan, House No. B-III, 374, Ludhiana.	200 Equity Shares	Sd/-  V.S Oswal	
3	Rattan Chand Oswal S/o L. Assa Ram Business, Mohalla Braham Puri , House No. B-IV, 577, Ludhiana	200 Equity shares	Sd/- R.C. Oswal	
4	Dharam Paul Oswal S/o L. Lachhman Dass Business Opp. P.W.D. Rest House, Ludhiana.	200 Equity Shares	Sd/ D.P Oswal	
5	Tej Paul Oswal S/o L. Lachhman Dass Business Opp. P.W.D. Rest House, Civil Lines, Ludhiana.	200 Equity Share	Sd/- T.P. Oswal	
6	Raj Paul Oswal S/o L. Lachhman Dass I B-IV, 538, Braham Puri, Ludhiana.	200 Equity Shares	Sd/- Raj Paul Oswal	
7	Darshan Kumar Oswal S/o Sh. Rattan Chand I Business, B-III, 577 Brahampuri, Ludhiana.	200 Equity Shares	Sd/- D.K Oswal	

**Dated:** this 18<sup>th</sup> day of December, 1962