

**PNB GILTS LIMITED****(Incorporated under the Companies Act, 1956)****1. Regulations in Table F**

The regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers by the Company with reference to the repeal of or alteration or addition to its regulations by Special Resolution(s) be such as are contained in Articles set out herein below. The regulations contained in Table F of Schedule I to the Companies Act, 2013 (18 of 2013) or any other law or enactment in force in its place shall not, except in respect of such of the matters for which no provisions exist in these Articles, apply to this Company.

**2. Definitions**

(A) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the meanings assigned to them respectively hereunder.

**The "Act"**

(i) The "Act" - means the Companies Act, 2013(18 of 2013) or any statutory modification or re-enactment thereof for the time being in force;

**The "Articles"**

(ii) The "Articles" - means these Articles of Association including alterations made therein from time to time;

**The "Auditor"**

(iii) "Auditor" - means and includes a person appointed as Statutory Auditor for the time being of the Company;

**"Board" or "Board of Directors"**

(iv) "Board" or "Board of Directors" -- means the collective body of the Directors of the Company or any meeting of the Board of Directors of the Company duly called and constituted, or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a resolution by circulation in accordance with the Articles

**"Board Meeting"**

(v) "Board Meeting" - means a board meeting of the directors of the company held in accordance with the provisions of these Articles;

**"Capital"**

(vi) "Capital" - means the capital for the time being raised, or authorised to be raised, as the case may be, for the purpose of the Company;

**"Chairman"**

(vii) "Chairman" - means the Chairman of the Board of Directors or any person elected by the Board, in reference to a particular meeting, to be the Chairman of that Board Meeting;

**"Company"**

(viii) The "Company" means PNB GILTS LTD

**“Directors”**

(ix) “Directors” - means person(s) appointed as the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board;

**“Dividend”**

(x) “dividend ” - includes interim dividend;

**“In writing” and “Written”**

(xi) “In writing” and “Written” include printing, lithography and other modes of representing or reproducing words or figures in a visible form;

**“Member”**

(xii) “Member” –means member as defined under Section 2(55) of the Act.

**“General Meeting”**

(xiii) “General Meeting” - means a general meeting of the Members held in accordance with the provisions of these Articles;

**“Office” or “Registered Office”**

(xiv) “Office” or “ Registered Office” - means registered office, for the time being, of the Company;

**“Ordinary Resolution”**

(xv) “Ordinary Resolution” means a Resolution in respect of which the notice required under the Act has been duly given of the General Meeting at which such resolution is to be produced and the votes cast (whether on a show of hands or on a poll, as the case may be), in favour of the Resolution (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the Resolution by members so entitled and voting.

**“paid up share capital ”**

(xvi) “Paid up share capital” - includes credited as paid up;

**“person”**

(xvii) “Person” - include corporations and firms as well as individuals;

**“proxy”**

(xviii) “proxy” - means any person whether a Member or not who is appointed by an instrument to vote for a Member at a General Meeting on a poll;

**“Register of Members”**

(xix) “Register of Members” - means the register of Members to be kept pursuant to the Act;

**“The Registrar”**

(xx) The “Registrar” - means the Registrar, an Additional Registrar, a joint Registrar, a Deputy Registrar or an Assistant Registrar, having the duty of registering companies and discharging various functions under this Act;

**“Regulations” or “the Company's regulations”**

(xxi) “Regulations” or “the Company’s Regulations” - means the regulations or bye-laws, for the time being, framed by the Company.

**“Rules”**

(xxii) “Rules” means the rules prescribed under the Act, from time to time;

**“Seal”**

(xxiii) “Seal” - means the common seal, for the time being of the Company;

**“Secretary”**

(xxiv) “Secretary” - includes a temporary or Assistant Secretary or any person or persons appointed by the Board to perform any of the duties of a secretary;

**“Share”**

(xxv) “Share” - means share in the share capital of the Company, and includes stock except where a distinction between stock and shares is express or implied;

**“Special Resolution”**

(xxvi) “Special Resolution” means a resolution in respect of which

- (a) the intention to propose the resolution as a special Resolution has been duly specified in the notice calling the general meeting or order intimation given to the members of the resolution;
- (b) the notice required under the Act has been duly given of the General Meeting; and
- (c) the votes cast in favour of that resolution (whether on a show of hands or on a poll, as the case may be) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting.

**(B) Any reference in these Articles to:-**

- (a) any gender, whether masculine, feminine or neuter, shall be deemed to be construed as referring to the other gender or genders, as the case may be;
- (b) singular number shall be construed as referring to, the plural number and vice versa;
- (c) “**year**” shall be to a calendar year; and
- (d) “**month**” shall be to a calendar month.

(C) The marginal notes and catch lines hereto shall not affect the construction or meaning hereof.

(D) Save as aforesaid, any words or expressions defined in the Act, but not defined in these Articles and not inconsistent with the subject or context, bear the same meaning herein as assigned to them respectively in the Act.

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

### ***Capital***

3. Subject to the provisions of the Act, rules and these Articles, shares (whether forming part of the original capital or of any increased capital of the Company) may be issued either with the sanction of the Company by Ordinary Resolution in General Meeting or by the Board, as the case may be, with such rights and privileges annexed thereto and upon such terms and condition as by the General Meeting, or as the case may be, by the Board sanctioning the issue of such shares be directed; and if no such direction be given, and in all other cases, as the Board shall determine and in particular such shares may be issued with preferential or qualified right as to dividends and in the distribution of assets of the Company, without prejudice however to any right and privileges already conferred on the holders of any shares class of shares, for the time being, issued by the Company.

### ***Increase of capital by the Company and how carried into effect***

4. The Company in General Meeting may, from time to time, by Ordinary Resolution and subject to the provisions of the Act and rules made thereunder and other applicable laws, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting shall direct and if no direction is given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right as to dividends and in the distribution of the assets of the Company and with a right of voting at General Meetings of the Company.

### ***Capital same as existing capital***

5. Except so far as otherwise provided by the conditions of issue by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.

### ***6. Further issue of capital***

- (1)(a) Subject to the provisions of the Act and Rules made thereunder and other applicable laws, where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the capital of Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued capital or out of the increased share capital then:
  - (b) Such further shares shall be offered to the persons who at the date of the offer, are holders of the Shares in the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
  - (c) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
  - (d) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares

offered to him in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right.

PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him.

(e) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner and to such person(s) as they may think, in its sole discretion, fit.

(2) Notwithstanding anything contained in sub-clause (1) thereof the further shares aforesaid may be offered to employees under a scheme of employees' stock option, subject to requisite resolution passed by company and subject to such conditions as may be prescribed or any persons {whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.

(3) Nothing in sub-clause (c) of (1) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

(i) To convert such debentures or loans into shares in the Company; or

(ii) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(i) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

(ii) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

#### ***Reduction of Capital***

7. (1) The Company may (subject to the provisions of the Act) from time to time by a requisite resolution, reduce its capital and any capital redemption reserve account or share premium account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise.

(2) This Article shall not derogate from any power the Company would have if it were omitted.

#### ***Increase, sub-division and consolidation of shares***

8. Subject to the provisions of the Act, the Company in General Meeting may, from time to time, by Ordinary

Resolution alter the Conditions of its Memorandum of Association so as to:

- (a) increase its share capital by such amount as it thinks expedient by issuing new shares;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
- (d) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company, 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 same as it was in the case of the share from which the reduced share is derived, and the resolution whereby any share is sub-divided may determine that, as between the holders 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 or otherwise, over, or as compared with, the others or other; and
- (e) cancel shares which at the date of passing of the Resolution in that behalf have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

***Modification of rights***

9. (1) Whenever the capital by reason of the issue of preference shares or otherwise, is divided into different classes of shares or otherwise, all or any of the rights and privileges attached to each class may, (subject to the provisions of the Act) and whether or not the Company is being wound up, varied, modified, commuted, affected or abrogated, or dealt with the consent in writing of the holders of at least three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of shares of that class and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis, apply to every such meeting 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.
- (2) This Article shall not derogate from any power the Company would have if this Article were omitted.
- (3) 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.

**SHARES AND SHARE CERTIFICATES**

***Shares under the control of directors***

10. Subjects to the provisions of the Act and such other applicable laws, rules etc, made thereunder and these articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportions and on such terms and conditions and either at a premium or at par or by way of sweat equity shares which may be at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any share either at par or premium during such time and for such considerations as the Directors think fit and may issue

and allot shares in the Capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the company in General Meeting.

***Company in General Meeting to determine offer of shares***

11. In addition to and without derogating from the power for that purpose conferred on the Board under Article 10 hereof, the Company in General Meeting may, subject to the provisions of the Act, determine that any shares (whether forming part of the original capital or any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of the Act) at a premium or at par or by way of sweat equity shares which may be at a discount, as such General Meeting shall determine and with full power to give any person(s) (whether a Member or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or sweat equity shares which may be at discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting, or the Company in General Meeting may make any other provision whatsoever for the issue, allotment and disposal of any shares.

***Redeemable Preference Shares***

12. Subject to the provisions of the Act, the Company shall have the power to issue preference shares which are liable, to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

***Provisions to apply on issue of redeemable preference shares***

13. On the issue of redeemable preference shares under the provisions of Article 12 hereof, the following provisions shall take effect:
- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
  - (b) no such shares shall be redeemed unless they are fully paid;
  - (c) where such shares are proposed to be redeemed, out of profits of the Company, there shall, out of such profits be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital Redemption Reserve Account" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
  - (d) Premium, if any, payable on redemption shall be provided out of the profits of the company or out of the securities redemption reserves, before such securities are redeemed:

Provided also that the premium, if any, payable on redemption shall be provided for out of the profits of the company or

out of the company's securities premium account, before such shares are redeemed

***Register and Index of Members***

14. The Company shall cause to be kept a Register of Members and an Index of Members. The Company shall be entitled to keep in any state or country outside India, a branch Register of Members resident in that State or Country.

***Shares to be numbered progressively and no share to be sub-divided***

15. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same originally distinguished.

***16. Dematerialisation of Securities***

1. For the purpose of this Article :-

'Beneficial Owner' means a person whose name is recorded as such with a depository;

'Depository' means a company formed and registered under the Companies Act and which has been granted a certificate of registration to act as a Depository under the Securities and Exchange Board of India Act, 1992, and

'SEBI' means the Securities and Exchange Board of India.

2. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise /rematerialize its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder.
3. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
4. Notwithstanding anything to the contrary contained in the Act of these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owners.

Save as otherwise provided above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all liabilities in respect of his securities which are held by a depository.



5. Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.
6. Notwithstanding anything in the Act or these Articles where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.
7. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to securities held by a depository.
8. The register and index of beneficial owners maintained under the Depositories Act, 1996 and other applicable laws shall be deemed to be the register and index of members and security holders for the purpose of these Articles.

#### ***Acceptance of shares***

17. (1) An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein shall be an acceptance of shares within the meaning of these Articles.  
  
(2) Every person who thus or otherwise accepts any shares and whose name is entered in the Register of Members shall, for the purposes of these Articles, be a Member.

#### ***Deposit and calls etc. to be a debt payable immediately***

18. The money, if any, which the Board of Directors shall, on the allotment of any shares being made by it, require or direct to be paid by way of deposit, call or otherwise, in respect of the shares so allotted, shall immediately on the insertion of the name of the allottee in the Register of Members as the holder of such shares, become a debt due to and recoverable by a company from the allottee thereof, and shall be paid by him accordingly.

#### ***Liability of Members***

19. Every Member shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times, and in such a manner, as the Board of Directors shall, from time to time in accordance with the company's regulations require to fix for the payment thereof.

#### ***Share Certificates and single allottees***

20. Every Member or allottee of shares shall be entitled, without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid thereon.

#### ***Certificates to be issued in pursuance of a resolution***

21. (1) Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against, letters of advice or acceptance or letters of renunciation or in cases of issue of bonus shares.

Provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit as to evidence and indemnity and the payment out of pocket expenses incurred by the Company in investigating the evidence.

(2) For any further certificate, the Board shall be entitled, but shall not be bound, to prescribe a charge.

***Issue of share Certificates***

22. (1) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

(2) Subject to the provisions of the Act and Rules prescribed in this behalf, every such certificate shall be issued under the Seal, if any, which shall be affixed in the presence of

- (a) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and
- (b) the Secretary or some other person appointed by the purpose.

The two Directors or their attorneys and the secretary or other person so appointed shall sign the share Certificate.

Provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing Director or Whole-time Director.

(3) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as, engraving in metal or lithography, but not by means of a rubber stamp. Provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

(4) Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue.

***Limitation of time for issue of certificates***

23. Every member shall be entitled, without payment, to one to more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (Upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, within one month of the receipt of application of registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company, if any, and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.

***Issue of new certificate in place of one defaced, lost or destroyed***

24. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, been given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer.

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

The provisions of this Article shall mutatis mutandis apply to securities of the Company.

***Safe custody of blank certificate, forms, books, etc.***

25. (1) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of resolution of the Board.

(2) The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may authorise for the purpose.

(3) The Secretary or the other person aforesaid shall responsible for rendering an account of these forms to Board.

(4) The Managing Director of the Company, for the time being or if the Company has no Managing Director, every Director of the Company and the Secretary, if any, shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue share certificates, except the blank forms of share certificates referred to in Clause(1) of this Article. All be referred to herein shall be preserved in good or permanently.

***The first named of joint- holders deemed holder***

26. If any share stands in the names of two or more persons, person first named in the Register of Members shall, as regards receipt of dividends or bonus, or services of notices and all other matters connected with the Company, except voting at meetings, and the transfer of the share, be deemed the sole holder thereof; but the other joint holder(s) of the same shall not be relieved of his/their obligations in respect of payment of all installments and calls due on the share and all incidents thereof in accordance with the Company's Regulations.

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

27. Except as ordered by a court of competent jurisdiction or required by law, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in the shares or except only as is by these Articles otherwise expressly provided, any right in respect of a share other than an absolute right hereto, in accordance with these Articles, in the persons who are from time to time, registered as the holders thereof; but the Board shall be at liberty, at its sole discretion, to register any share in the joint names of any two or more persons or the survivor or survivors of them.

***Shares may be registered in the name of body corporate***

28. Shares may be registered in the name of an incorporated company or other body corporate but not in the name of a minor (except a case where they are fully paid) or in the name of a person unsound mind.

**CALLS AND INSTALMENTS*****Directors may make calls***

29. (1) The Board may, from time to time, subject to the terms which any shares may have issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circulation) make such calls as thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person, and at the time and places appointed by the Board.

(2) A call may be revoked or postponed at the discretion of the board.

(3) A call may be made payable by installments.

***Notice of calls***

30. Not less than 14 days' notice in writing of any call shall be given by the company specifying the time and place of payment, and the person or persons to whom such calls shall be paid.

***Calls to date from resolution***

31. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.

***Liability of joint holders***

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

***Directors may extend time***

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

***Calls to carry interest***

34. (1) If any member fails to pay any call due from him on the date appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for

the payment thereof to the time of actual payment at such rate as shall, from time to time, be fixed by the Board.

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

***Sum deemed to be calls***

35. Any sum, which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purpose of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

***Proof of trail of suit for money due on share***

36. Subject to the provisions of the act and these Act and these articles, on the trail or hearing of any suit action or other proceedings brought by the company against any Member or his representatives for the recovery of any money claimed to be due to the company in respect of his shares, it shall be sufficient to prove;

- (a) that the name of the Member, in respect of whose shares the money is sought to be recovered, appears entered in the Register of Members as the holder, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered;
- (b) that the resolution making the call is duly recorded in the Minutes Books; and
- (c) that the notice of such call was duly given to the Member or representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was presented at the meeting of the Board at which any call was made, nor that meeting at which any call made duly convened or constituted nor any other matter whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

***Calls in advance***

37. The Directors may, if they think fit, subject to the provisions of the Act and rules thereof, agree to and receive from any member willing to advance the same, whole or any part of the moneys upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of calls made, the company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the money so paid by him until the same would but for payment become presently payable.

The provision of these Articles shall mutatis mutandis apply to the calls on securities of the company.

**LIEN*****Company's Lien on Shares/Debentures***

38. The company shall have a first and paramount lien upon all the shares/debentures (other than fully paid up shares/debentures) registered in the name of each holder (whether solely or 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/debentures and no equitable interest in any share shall be created except upon the footing and condition that this article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of transfer of shares/debentures shall operate as waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

***Enforcing lien by sale***

39. (1) For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their number to execute a transfer thereof on behalf of and in the name of such Member.

Provided that no such sale shall be made —

- (a) unless a sum in respect of which the lien exists is presently payable, or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder, for the time being, of the share or the person entitled thereto *in accordance with law eg by reason of death, insolvency etc.*
- (2) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (3) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (4) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

***Application of proceeds of sale of shares***

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

**FORFEITURE OF SHARES*****If money payable on share not paid, notice to be given to Members***

41. If any Member fails to pay any call or installment of a call, on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter during such time as the call or installment remain unpaid, serve notice to him requiring him to pay the same together with any

interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

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

***Notice of forfeiture***

42. (1) 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 installment and such interest as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.

(2) The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed the shares, in respect of which the call was made or installment is payable, will be liable to be forfeited.

***Judgement etc., not to preclude the Company to enforce forfeiture***

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

***Notice of forfeiture***

44. If the requirements of any such notice as stated in Article 42 shall not be complied with, every or any share in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared any other moneys payable by the Company in respect of the forfeited shares and not actually paid before the forfeiture.

***Omission to give notice not to invalidate forfeiture***

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

***Forfeited share to be the property of the Company***

46. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.

***Member liable notwithstanding forfeiture***

47. (1) Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand, all calls, installments, 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 the forfeiture until payment at such rate, as the Board may determine and the Board may enforce the payment thereof, if it thinks fit, but shall not be under any obligation to do so.

(2) The liability of such person shall cease if and when the Company shall have received payment in full of all such money in respect of the shares.

***Forfeiture to involve extinction of all interest etc.***

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

***Validity of sale on forfeiture***

49. (1) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and may cause the transfer of the shares sold and may cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person.

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

***Power to annul forfeiture***

50. (1) The Board of Directors may, at any time before any share forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

(2) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

**TRANSFER AND TRANSMISSION OF SHARES**

***Transfer of Shares***

51 Subject to the provisions of the Act and these Articles, a Member may, at any time, transfer all or any part of the shares held by him to any person.

***Instrument of Transfer***

52. The instrument of transfer shall be in writing and all the provisions of the Act and Rules made thereunder and statutory modification thereof for the time being shall be duly compiled within respect of all transfer of shares and registration thereof.



***To be executed by Transferor and Transferee***

53. Every such instrument of transfer shall be executed by or on behalf of both the transferor and the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members respect thereof.

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

54. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the relative share certificate(s) and such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares generally under and subject to such conditions and Regulations as the Board may, from time to time, prescribe and every registered instrument or transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

***Application for transfer***

55. An application for registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.

***Transfer of partly paid share when to be registered***

56. (1) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the company gives notice of the application to the transferee within two weeks from the receipt of the notice.

(2) For the purposes of clause (1) above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

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

57. The Company shall incur no liability or responsibility whatever consequence of its registering or giving effect to any transfer shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.

***Insolvency or liquidation of one or more joint holders of shares***

58. In the case of death, insolvency, liquidation, dissolution or winding up of any one or more of the persons named in the Register of Members as the sole or joint holders of any share, the Company shall not be bound to recognize any person(s) other than the surviving or remaining holder/s.

***Registration of persons entitled to shares otherwise than by transfer***

59. Any person becoming entitled to shares in consequence of death, insolvency, dissolution, winding up or liquidation of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board, which it shall not be under any obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or his title, as the Board thinks sufficient, be registered as the holder of the shares subject to the provisions of the Act, and the Articles.

***Directors may refuse to register transfers or transmissions***

60. The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) The instrument of transfer is in respect of only one class of shares.

***Transfer books when closed***

61. The Board shall have power, on giving seven days previous notice by advertisement in some newspaper circulating at the place where the registered Office, for the time being, is situated to close transfer books, the Register of Members and register debenture holders, at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding the aggregate forty-five days in each year, as to it may seem expedient.

**CONVERSION OF SHARES INTO STOCK AND RECONVERSION*****Shares may be converted into stock***

62. The Company may, by Ordinary Resolution passed at a General Meeting convert any fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination. Where any shares have been so converted into stock, the several holders of stock may henceforth transfer their respective interest therein or any part of such interests in the same manner as, and subject to the same Regulations under which, the shares from which stock arose might, before the conversion, have been transferred or as near thereto as circumstances admit.

***Rights of stock holders***

63. The holders of stock shall, according to the amount of stock by them, have the same rights, privileges and advantages as regards dividends, voting at the Meetings of the Company, other matters, as if they held the shares from which the stock a but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would be existing in shares, have conferred that privilege or advantage.

Such of the Articles as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those *Articles* shall include "stock" and "stock-holder" respectively.

**BORROWING POWERS*****Powers of Board to Borrow***

64. Subject to the provisions of the Act and of these Articles, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board and not by circulation accept deposits from Members either in advance of calls or otherwise, and generally raise or borrow any sum or sums of money for the purposes of the Company.

Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the Ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, the Board shall not borrow such moneys without the consent of the Company in General Meeting.

***The payment and/or repayment of moneys borrowed***

65. The payment of moneys and/or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particulars by a resolution passed at a meeting of the Board, by the issue of bonds, debentures or debenture stock, promissory notes, short term papers, commercial papers, call deposit instruments in the call money market or any other instruments in the short term money market and other securities whether or not charged upon all or any part of the Company (both present and future), including its uncalled capital, for the time being, and the same may be made assignable free from any equities between the Company and the person to whom the same may be issued.

***Terms of issue of debentures etc. and charge on uncalled capital***

65. (1) Any bonds, debentures, debenture-stock and the securities referred to above may be issued at a discount, premium or otherwise, and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares and attending (but not voting) at General Meetings, and as to the right of appointment of Directors, or otherwise.

(2) Debentures with right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a requisite resolution as provided in the Act, Rules and other applicable laws.

(3) If any uncalled capital of the Company is included in or charged by way of mortgage or other security, the Board may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is created.

**MEETINGS OF MEMBERS*****Annual General Meetings***

67. (1) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other

Meetings in that year.

(2) All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings.

(3) The first Annual General Meeting shall be held within nine months from the date of closing of first financial year and every subsequent Annual General Meeting shall be held within six months after the expiry of the financial year to which it relates; provided that not more than fifteen months shall elapse between the date of one Annual General and that of the next.

(4) Subject to the provisions of the Act, Rules and any other law applicable every Annual General Meeting shall be called during business hours on any day that is not any 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 the Registered Office of the Company is, for the being, situated as the Board may determine and the notice calling the Meeting shall specify it as the Annual General Meeting.

(5) The Company may, at any Annual General Meeting, fix the time for its subsequent Annual General Meeting.

(6) Every Member of the Company shall be entitled to attend either every General Meeting 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 which he attends on any part of the business which concerns him as such Auditor. The proxy register with proxies and the register of directors' share holdings shall remain open and accessible during the Meeting.

(7) At every Annual General Meeting, there shall be laid on the table the Board's Report and Audited Financial Statements, and the Auditors Report (if not already incorporated in the audited Statement of Accounts).

***Extraordinary General Meeting***

68. The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition in writing by any one or more Members holding in the aggregate not less than one-tenth of such of the paid up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

***Requisition of Members to state matter for consideration***

69. Any requisition so made by Members shall set out the matter or matters for the consideration of which the Meeting is proposed, shall be signed by the requisitionists, and shall be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

***On receipt of requisition, Directors to call Meeting and in default requisitionists may do so***

70. Upon the receipt of any such requisition, the Board shall forthwith proceed duly to call an Extra-ordinary General Meeting, and if they do not proceed twenty-one days from the date of the deposit of the requisition at the office, to cause a Meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Article 68, whichever is less, may themselves call the Meeting, but in either case any Meeting so called shall be

held within three months from the date of the deposit of the requisition as aforesaid.

***Meeting called by requisitionists***

71. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner as that in which Meetings are to be called by the Board.

***Twenty-one clear days' notice of Meeting to be given***

72. (1) Twenty-one clear days' notice at the least of every General Meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, place and hour of the Meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company.

Provided that with the consent of the Members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the General Meeting, a General Meeting may be convened by a shorter notice.

- (2) In the case of any General Meeting there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each item of special business as may be required under the Act and Rules made there under and other applicable laws.

***Omission to give notice not to invalidate proceedings***

73. The accidental omission to give any such notice to, or the non- receipt of notice by any Member or other person to whom it should be given shall not invalidate any proceedings at the Meeting.

***Notice of business to be given***

74. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business, the general nature of which has not been mentioned in the notice upon which it was convened.

***Quorum at General Meeting***

75. No business shall be transacted at any General meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be as provided pursuant to Act and applicable rules.

***If quorum not present Meeting to be dissolved or adjourned***

76. (1) If, at the expiration of half an hour from the time appointed for the Meeting, a quorum shall not be present, the Meeting if convened by or upon the requisition of Members 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.
- (2) If, at such adjourned Meeting also quorum is not present within half an hour from the time appointed for the Meeting, the Members present shall be a quorum, and may transact the business for which the Meeting was called.

***Chairman to General Meeting***

77. (1) The Chairman, if any, of the Board of Directors shall preside as Chairman, at every General Meeting, whether Annual or extra-ordinary.

(2) If, there is no Chairman at any General Meeting or the Chairman of the Board is not present within fifteen minutes of the time appointed for holding such Meeting, or declines to take the Chair, then the directors present shall elect one of themselves to be Chairman of the Meeting. If no Director is willing to act as Chairman or if no Director is present within fifteen minutes or if all the Directors present at the meeting decline to take the chair, then the Members present shall elect one of their members to be Chairman.

***Business confined to election of Chairman whilst chair vacant***

78. No business shall be discussed at any General Meeting except the election of the Chairman, whilst the chair is vacant.

***Chairman with consent may adjourn Meeting***

79.

- i. The Chairperson may, with the consent of the meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

***Questions at General Meeting how decided***

80. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

***Chairman's casting vote***

81. In the case of an equality of votes, the Chairman shall, if any, have a casting vote in addition to the vote or votes to which he may be entitled as a Member.

***Scrutinizer at poll***

82. (1) Where a poll is to be taken, the Chairman of the Meeting shall appoint scrutinizer/s to scrutinize the votes given on the poll and to report thereon to him.

(2) The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutinizer from the office and to fill the vacancy in the office of a scrutinizer arising from such removal or from any other

cause.

***Demand for poll not to prevent transaction of other business***

83. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

**VOTES OF MEMBERS**

***Members in arrears not to vote***

84. No member shall be entitled to vote at General meeting or at any Meeting of a class of shareholders in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

***Number of votes of which member entitled***

85. (1) Subject to the provisions of these Articles, and without prejudice to any special privileges or restrictions as to voting, for the time being, attached to any class of shares, for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such Meeting, and on a show of hands, if applicable by law every Member present in person shall have one vote and upon a poll every Member present in person or by proxy shall have the right to vote in proportion to his share of the paid up equity capital of the Company, provided, however, if any preference shareholder be present at any Meeting of the Company, he shall have a right to vote only on Resolutions placed before the meeting as provided in the Act.

- (2) A person shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Member of the Company which he represents as that member could exercise and be subject to the same liabilities as all other members of the same class.

***Votes of joint Members***

86. If there be joint registered holders of any shares, any one of such persons may vote at any Meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if were solely entitled thereto and, if more than one such joint-holder be present at any Meeting either in person or by proxy, that one of the said persons so present whose name stands higher on the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the Meeting.

***Voting in person or by proxy or by evoting***

87. Subject to the provisions of these Articles, votes may be given by Members either in person or by proxy or by evoting in accordance with the provisions of the Act and Rules made thereunder.

***Appointment by proxy***

88. (1) The instrument appointing a proxy shall --
- (a) be in writing; and
  - (b) be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body

corporate, by its officer or an attorney duly authorised by it, either under its seal/stamp, if any along with relevant board resolution.

(2)The proxy so appointed shall not have any right to speak at the Meetings.

**Voting on a show of hands, if applicable**

89. A proxy shall not be entitled to vote on a show of hands. The representative of a body corporate appointed in terms of the Act, however, shall have a vote on a show of hands, if permissible under the Act and Rules made thereunder and other applicable laws.

***Voting by unsound mind***

90. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands (if permissible) or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

***No objection to Qualification***

91. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

***Deposit of Instrument of appointment of proxy etc.***

92. The instruments appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarized certified copy of that power or authority, shall be deposited at the Office not less than 48 hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid.

***Form of proxy***

93. Every instrument of proxy shall be in the form as specified in Act and Rules made thereunder.

***Validity of votes given by proxy notwithstanding revocation thereof***

94. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death, or insanity, or winding up of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the proxy is given.

Provided that no intimation in writing of the death, insanity, winding up, revocation or transfer shall have been received at the Office before commencement of the meeting or adjourned meeting at which the proxy is used.



***Chairman of any General Meeting be the judge of validity of any vote***

95. The Chairman of any General meeting shall be the sole judge of the validity of every vote given or tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

***Minutes of General Meetings, inspection thereof by Members***

96. (1) The Company shall cause minutes of all proceedings of every General Meeting of any class of shareholders or creditors, and every resolution passed by postal ballot to be kept by and making within thirty days of the conclusion of every such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered.

Explanation: For the purpose of this Article, "book" includes a binder containing loose leaves.

(2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within this period, by a Director duly authorised by the Board for the purpose.

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(5) All appointments of Officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

(6) (i) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the Meeting.

(a) is, or could reasonably be regarded as, defamatory of any person

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company.

(ii) The Chairman of the Meeting shall exercise an absolute discretion in regard to the inclusion or non- inclusion of any matter in the minutes on the aforesaid grounds.

(7) Any such minutes shall be evidence of the proceedings recorded therein.

(8) (i) The books containing the minutes of the proceedings of any General Meeting shall be preserved

permanently and kept at the registered Office of the company and at such other place as board may decide and shall be open, during business hours, for a period of two hours in the aggregate in each day, to the inspection of any Member without charge.

(ii) Any Member shall be entitled to be furnished, within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in sub-clause (1) on payment of such charges as may be prescribed by the Act.

## **DIRECTORS**

### ***Number of Directors***

97. Until otherwise determined by a General Meeting and subject to the provisions of the Act, the number of Directors shall be not less than three and not more than fifteen.

### ***Directors***

98. (1) The first Directors of the Company shall be the following

- (i) SHRI. RASHID JILANI
- (ii) SHRI. ROMESH LAL
- (iii) SHRI.YASH PAL LNARANG

The other Directors in the first year may be co-opted by the Board.

\*(2) The Chairman or Managing Director & Chief Executive Officer or Executive Director of Punjab National Bank, as decided by Punjab National Bank, shall always be Chairman of Board of Directors, if he is a Director on Board. If such a person is not a Director, the Directors shall elect a Chairman of Board of Directors.

(3) Subject to the provisions of the Act and Rules made thereunder and the Listing norms, the Board of Directors of the Company may consist of such number of Directors as may be nominated by Punjab National Bank.

(4) Not less than two third of the total number of Directors (other than Independent Directors) shall be persons whose office shall be liable to retire by rotation.

### ***Retirement by and rotation of Directors***

(5) At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. In these Articles a "Retiring Director", mean Director retiring by rotation.

(6) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between the persons became Directors on the same day, those who are to retire shall, in default of, and subject to any agreement among themselves, be determined by lot.

(7) A retiring Director shall be eligible for reappointment.

(8) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

(9) If the place of a retiring Director, retiring by rotation at a meeting, is not filled up at such meeting and that meeting has not expressly resolved not to fill the vacancy, that 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.

(10) 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 re-appointed at the adjourned meeting unless –

(i) at that meeting or at the previous meeting, a Resolution for the re-appointment of such Director has been put to the meeting and lost;

(ii) the retiring Director has, by a notice in writing addressed to the Company or to the Board, expressed his unwillingness to be so re-appointed;

(iii) he is not qualified for appointment; or

(iv) a Resolution, whether Special or Ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act; or

(v) a Resolution moved for the appointment of the retiring Director is void on account of the same being not in accordance with the provisions of the Act relating to the appointment of Directors.

(vi) resolution passed as per section 162

(11) The Independent Directors shall not be liable to retire by rotation.

(12) The Board shall have the power to determine the directors whose period of office is or is not liable to retire by rotation

#### ***Appointment of Alternate Director***

99. (1) The Board may appoint an alternate Director to act for a Director (hereinafter called the “Original Director”) during his absence for a period of not less than three months from India.

(2) An alternate Director appointed under this Article shall vacate office if and when the Original Director returns to India.

(3) If the term of office of the Original Director is determined before he so returns to India, any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director, and not to the alternate Director.

(4) An alternate Director shall not hold office as such for a longer period than that permissible to the Original Director in whose place he has been appointed

(5) A person shall be appointed as an Alternate Director for an Independent Director provided he is qualified to be appointed as an Independent Director under the provisions of the Act, Rules made thereunder and applicable laws.

***Appointment of Additional Directors***

100.(1) Subject to the provisions of Act and Rules the Board of Directors shall also have power at any time and from time to time, to appoint any person, as an additional Director, provided that the total number of Directors shall not, at any time, exceed the maximum strength fixed for the Board by the Articles.

(2) Any person so appointed as an additional Director shall remain in office only upto the date of the next Annual General Meeting or the last date on which such meeting should have been held whichever is earlier, but shall be eligible for the appointment at such Meeting subject to the provisions of the Act.

***Filling of casual vacancies***

101.(1) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board at its meeting.

(2) Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

***No share qualification for Directors***

102.No Director shall be required to hold any shares as qualification share.

***Appointment of Directors to be voted on individually***

103.(1) At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors by a single resolution, unless a resolution that shall be so made has first been agreed to by the Meeting without any vote being given against it.

(2) A Resolution moved in contravention of clause (1) shall be void, whether or not objection was taken at the time of its being so moved.

Provided that where a Resolution so moved is passed, no provision for the automatic reappointment of the retiring Director in default of another appointment shall apply, as herein before provided.

(3) For the purpose of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

***Notice of candidature for office of Director except in certain cases***

104.(1) A person who is not a retiring Director shall be eligible for appointment to the office of Director at any

General Meeting, if he or some Member intending to propose him has, not less than fourteen days before the Meeting, left at the Office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office, as the case may be, along with the deposit of such sum as may be prescribed under the Act, which shall be refunded to such person, or as the case may be, to such a member, if the person gets more than 25% of the total valid votes cast on such resolutions

(2) The Company shall inform its Members of the candidature of a person for the office of a Director or the intention of a Member to propose such person as a candidate for that office, by serving individual notices on the Members not less than seven days before the Meeting;

Provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid, if the Company advertises such candidature or intention, not less than seven days before the Meeting, in at least two newspapers circulating in the place where the Office of the Company is located, of which one is published in the English language and the other in the regional language of that place.

(3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the Company, a notice as provided in the Act signifying his Candidature for the office of Director) proposed as a candidate for the office of the Director shall sign and file with the company his consent in writing to act as a Director, if appointed.

***Filing of consent to act as director***

105. A person other than-

- (a) Director re-appointed after retirement by rotation or immediately on the expiry of his term of office; or
- (b) a Director, or a person filling a casual vacancy in the office of a Director appointed as a Director or re-appointed a Director, immediately on the expiry of his term of office; or
- (c) a person named as a Director of the Company;

shall not be appointed as a Director of the Company unless he has given prior consent in writing to act as such Director.

***Remuneration of Directors***

106.(1) Subject to the provisions of the Act and Rules a Director may receive remuneration by way of fee as may be decided by the Board having regard to such sum as may be prescribed by the Central Government for each meeting of the Board or of a committee of the Board attended by him.

(2) Subject to the provisions of the Act and Rules made thereunder, if any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Board), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts, either by a fixed sum or otherwise, as may be determined by the Board, and such remuneration may be either in addition to or in substitution for his remuneration above provided.

***Travelling expenses incurred by Directors***

107. The Board of Directors may allow any *payment* to any Director, who shall come to the place for the purpose of

attending a meeting or for attending its business at the request of the Company, such sum as the Company may consider fair compensation for travelling, hotel and other incidental expenses, in addition to his fee, if any, for attending such meeting or business as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be reimbursed all travelling, hotel and other expenses incurred in connection with the business of the Company.

***Directors may act notwithstanding vacancy***

108. The continuing Director(s) may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the continuing Director(s) may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for the summoning a General Meeting, but for no other purpose.

***When office of Director to be vacated***

109. The office of a Director shall become vacant, if-

- a) he incurs any of the disqualifications specified in section 164;
- b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- c) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;
- e) he becomes disqualified by an order of a court or the Tribunal;
- f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:

Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

- g) he is removed in pursuance of the provisions of this Act;
- h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

***Directors etc. may contract with the company***

110. The directors and KMPs and other related parties of the Company may enter into the contracts/arrangements etc. with the company only in accordance with the provisions of the Act and applicable Rules as well as any other laws/regulations in force.

***Disclosure of interest***

111. Subject to the provisions of the Act and rules made thereunder and other applicable laws, the directors shall disclose the interest.

***Interested Director not to participate and vote in Board's proceedings***

112. Subject to the provisions of Act, Rules as well as other applicable laws where any Director is interested in any contract or arrangement, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

***Register of Contracts etc. in which Directors etc. are interested***

113. The Company shall keep one or more registers in accordance with the provisions, if any, of the Act, Rules made thereunder and shall within the time specified therein, enter in such register(s) separately the particulars of all contracts or arrangements in which directors, KMPs and other related parties of the Company are interested, as may be provided under the Act or Rules.

***Directors may be directors of companies promoted by the Company***

114. Subject to the provisions of the Act and any other law for the being in force, a Director 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 Director shall be accountable for any benefits received as director or shareholders of such other company.

**PROCEEDINGS OF THE BOARD OF DIRECTORS*****Person nominated by Punjab National Bank to be Chairman***

115. Subject to the provisions of the Act, rules and other applicable laws, the person nominated as Chairman of the Board by PNB or person elected by the Board, as the case may be, shall preside over the meetings of the Board and its Committee(s), if he is a member thereof.

***Meeting of Directors***

**116.** (a) The Directors may meet together as a Board for the dispatch of business, from time to time, and shall hold a minimum number of four meetings every year in such a manner that not more than 120 days shall intervene between two consecutive meetings of the Board.

(b) The Board of directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

***Notice of Meetings***

117.(a) A meeting of the Board of Directors may be convened by giving a notice pursuant to the Act and rules made thereunder. Every such notice shall be given in writing to every Director, for the time being in India, and at his registered address to every other Director subject to the provisions of the Act.

(b) On the requisition of directors, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

***Quorum***

118.(a) The quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time) or two Directors whichever is higher; any fraction in that one-third being rounded off as one.

Provided, however, that where, at any time the number of interested Directors at any meeting exceeds or is equal to

two-thirds of the total strength, the number of the remaining Directors (i.e. the number of Directors who are not interested), present at the meeting, being not less than two shall be the quorum during such time.

(b)The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

***Adjournment of meeting for want of quorum***

119.If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such other day, time and place as the Director or Directors present at the meeting may fix.

***Chairman***

120.If, at any meeting of the Board or Committee the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present shall elect one of their number to be Chairman of such meeting.

***Questions at Board meetings how decided***

121.Questions arising at any meeting of the Board or committee, shall be decided by a majority of votes, and in the case of an equality of votes, the Chairman shall have a second or casting vote.

***Powers to be exercised at meeting***

122.A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles or the Regulations of the Company are, for the time being, vested in or exercisable by the Board generally.

***Directors may appoint committees***

123.(1) The Board may (subject to the provisions of the Act and these Articles), delegate any of its powers to such committee of the Board consisting of such member(s) of the Board as it thinks fit.

(2) The Board may, from time to time, dissolve or discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board to be 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.

(3) All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of purpose of their appointment, but not otherwise shall have the like effect as if done by the Board, subject to the provisions of the Act & Rules made thereunder.

***Quorum for committee meeting***

124.Subject to the provisions of the Act and rules made there under and other applicable laws, the quorum for a meeting of such a committee of the Board shall be two unless the Board has also fixed the quorum for the Committee(s).



***Meeting of committee how governed***

125. The meetings and proceedings of any committee of the Board consisting of requisite number of members subject to the provisions of Act, Rules and other applicable laws shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto. The Board of Directors may also appoint the Chairman of the Committee(s) constituted by it. If the Board has not appointed, the Committee may elect its Chairman and also the fix the time period for holding such office.

***Resolution by circulation***

126. Save as otherwise expressly provided in the Act, Rules made thereunder and other applicable law, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

***Acts of Board or committees valid notwithstanding defect in appointment***

127. All acts done by any meeting of the Board or by a committee of the Board, or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid or that they or any of them were disqualified or that the appointment of any of them be terminated by virtue of any provisions contained in the Act or in these Articles, be treated as valid as if every such person had been duly appointed, and was qualified to be a Director.

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.

***Minutes of proceedings of meetings of the board***

128. (1) The Company shall cause minutes of all proceedings of every meeting of the Board and of every committee of the Board to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered Explanation: For the purpose of this Article, "book" includes a binder containing loose leaves.

(2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each book shall be dated and signed by the chairman of that meeting of the Board or of the committee, as the case may be, or the chairman of the next succeeding meeting of the Board or the committee, as the case may be.

(3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

(6) The minutes shall also contain details of:

(a) the names of the Directors and other members of the Committee present at the meeting;

(b) all orders made by the Board and committee of the Board;

(c) all resolutions and proceedings of meetings of the Board; and

(d) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from, or not concurring with the resolution.

(7) Nothing contained in clauses (1) to (6) shall be deemed to require the inclusion in such minutes of any matter which, in the opinion of the Chairman of the meeting:-

(a) is, or could reasonably be regarded as, defamatory of any person;

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company.

(8) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.

(9) Minutes kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

#### ***Participation at Board Meetings***

129. The participation of directors in a meeting of the Board or that of Committee thereof may be either in person or through video conferencing or audio visual means, as may be prescribed by the Rules or permitted under law.

### **POWERS OF DIRECTORS**

#### ***Powers of the Directors***

130. The business of the Company shall be managed by the Board, and the Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other law or by the Memorandum of Association of the Company or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of these Articles, to the provisions of the Act, or any other law, and to such regulations, being not inconsistent with the aforesaid regulation or provisions, as may be prescribed 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:

Provided that subject to the Act and Rules made thereunder the Board shall exercise the following powers only with the consent of Company in General Meeting:-

(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;

(b) remit, or give time for the repayment of any debt due by a Director;

(c) invests, otherwise than in trust securities, the amount of compensation received by the company as a result of any merger or amalgamation;

(d) borrow moneys where the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business),

will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, or

(e) contribute to charitable and others funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed five percent of its average net profits as determined in accordance with the provisions of the Act during the three immediately preceding financial years.

***Certain powers of the Board***

131. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by the Act and these Articles, but subject to the restrictions contained in the last the Board shall have the following powers

*To pay costs of incorporation*

(a) to pay the costs, charges and expenses preliminary and incidental to the incorporation, promotion, establishment and registration of the Company;

*To acquire any property rights etc.*

(b) to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit, and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory;

*To pay commission or interest lawfully payable*

(c) to pay and charge to the capital account of the Company any commission or interest lawfully payable thereat under the provisions of the Act;

*To pay for property*

(d) at their discretion, and subject to the provisions of the Act, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partly, in cash or in shares, stock, bonds, debenture-stock, mortgages or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, debentures-stock, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

*To secure contracts by mortgage*

(e) to secure the fulfillment of any contract or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its uncalled capital for the time being or in such manner as the Directors may think fit;

*To accept surrender of shares*

(f) to accept from any member, so far as may be permissible by law, a surrender of his shares of any part thereof,

on such terms and conditions as shall be agreed upon;

*To appoint trustees for the Company*

(g) to appoint any person to accept and hold in trust for the Company and property belonging to the Company, or in which it is interested, or for any other purposes; and execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;

*To conduct legal proceedings*

(h) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or its other employees or otherwise concerning the affairs of Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and to observe and perform awards made thereon;

*To give guarantees and indemnities*

(i) subject to the provisions of the Act, to give in the name on behalf of the Company such indemnities and guarantees as may be necessary;

*All matters relating to insolvents*

(j) to act on behalf of the Company in all matters relating to bankrupts and insolvents;

*To issue receipts and to give discharge*

(k) to make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.

*To invest money of the Company*

(l) subject to the provisions of the Act, to invest and deal with any moneys of the Company upon such security (not being shares of this Company), or without security and in such manner as they may think fit and, from time to time, vary or realise such investments. Save as provided in the Act investments shall be made and held in the Company's name;

*To give security by way of indemnity*

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

*To determine signing powers*

(n) to determine, from time to time, who shall be entitled to on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, instruments and documents, and general correspondence, and to give the necessary authority for such purpose;

*To provide for provident fund, gratuity, etc., employees*

(o) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and other persons who are or were working for the Company deputed or seconded by any other organisation and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings, or by grants of money, pensions, gratuities, bonus, allowances or other payments; or by creating and from time to time subscribing or contributing to provident fund, including acceptance of transfer of money or from any other provident fund and any superannuation fund for being credited to the relevant fund or an employee welfare fund created by the Company and to other associations, institutions, funds or trusts including any research and development organisations, training schools, by providing or subscribing or contributing towards research and development centres and places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, educational, cultural, social and other institutions for objects which shall have any moral or other claims to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;

*To provide for reserve funds etc.*

(p) (i) before recommending any dividend, to set aside, out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to an insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the properties of the Company, and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may, in their absolute discretion, think as being conducive to the interests of the Company; and subject to provisions of the Act, to invest the several sums so set aside or so much thereof as requires to be invested, upon such investments (other than shares of this Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors, in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and

(ii) to divide any reserve fund into such special funds as the Directors may think fit, with full power to transfer the whole or any portion of such reserve fund or division or such reserve fund to any other fund and with full power to employ the assets constitution all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture stock, and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such funds interest at such rate as the Directors may think proper;

*To distribute among the staff the profits of Company*

(q) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any Director, officer or other person employed by or working for the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working

expenses of the Company;

*To appoint and remove officers and other employees*

(r) to appoint, and at their discretion, remove, or suspend officer or employee, as they may, from time to time, think fit, and to determine their powers and duties, and fix their salaries, or emoluments, and to require security instances and for such amounts as the Board may think fit;

*To effect contracts, etc*

(s) to effect, make and enter into, on behalf of the Company, all transactions, agreements and other contracts within scope of the business of the Company;

*To arrange for management of offices*

(t) from time to time, and at any time, to make such arrangements as the Directors may consider appropriate for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person/s to be in charges of such offices;

*Delegation of powers*

(u) subject to the provisions of the Act, rules and other applicable laws, from time to time, and at any time to appoint any person and to delegate to any person so appointed, any of the powers, authorities and discretions for the time being vested in the Directors; and to authorise any person to fill up any vacancies therein and to act notwithstanding vacancies; and such appointment or delegation may be made on such terms, and subject to such conditions as the Director may, at any time, remove any person so appointed, and may annul or vary any such delegation;

*To appoint Attorneys*

(v) at any time, and from time to time, by powers of attorney to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and subject to the provisions of the Act and for such period and subject to such conditions as the Directors may, from time to time, think fit and any such appointment may (if the Directors think fit) be made in favour of any person or in favour of any company, or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Directors and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Directors may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;

*To enter into contracts*

(w) subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

(x) to purchase or otherwise acquire or obtain licence for the use of, and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know how;

(y) to undertake on behalf of the Company any payment of all rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or purchase the reversion or reversions, and otherwise to acquire the fee simple of all or any of the lands of the Company for the time being held under lease or for an estate less than free-hold estate;

(za) to let, sell or otherwise dispose, subject to the provisions of the Act any property of the Company, either absolutely or conditionally and in such manner and upon such terms conditions in all respects as they think fit and accept payments of satisfaction for the same in cash or otherwise as they think fit; and

(zb) from time to time to make, vary and repeal any bye-laws, regulations and other rules, guidelines or instructions for regulating the business of the Company, its officials, the employees and other persons having dealings with the Company.

*(zc) Other Power and matters*

(1) The Board may pay all expenses incurred in getting up and registering the company.

(2) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

(3) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose

#### **MANAGING DIRECTOR/WHOLE TIME DIRECTOR**

*Board may appoint Managing Director and Whole time Director*

132.(1) Subject to the provisions of the Act and of this Article, the Board shall have the power to appoint and reappoint and, from time to time, remove one or more persons to be Managing Director(s)/ Whole-time Director(s) of the Company and upon such terms and conditions as the Board thinks fit, and, subject to the provisions of Act and rules made thereunder, the Board may, by resolution, vest in such Managing Director or Whole time director such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine.

(2) A Managing Director / Whole-time Director shall receive such remuneration (whether by way of salary, perquisites, commission or participation in profits, or otherwise or partly in one way and partly in another) as the Directors may, subject to the provisions of the Act, Rules or any other law applicable for the time being in force in that behalf, determine.

(3) Subject to the provisions of the Act, the Board of Directors may entrust to and confer upon a Managing Director / Whole-time Director any of the powers exercisable by the Board upon such terms and conditions and with such restrictions as the Board may think fit, and either collaterally with or to the exclusion of powers of the Board, and may, from time to time, revoke, withdraw, alter or vary any of such powers.

***Restrictions on powers of Managing Director(s), Whole-time Director(s)***

133.(1) The Managing Director(s) or Whole-time Director(s) shall not exercise the power to:

- (a) make calls on shareholders in respect of money unpaid on their shares in the Company;
- (b) issue debentures; and
- (c) Except to the extent mentioned in the resolution passed at the Board Meeting under the provisions of the Act, the Managing Director(s)/ Whole-time Director(s) shall also not exercise the powers to -
  - (i) borrow moneys,
  - (ii) invest the funds of the Company, and
  - (iii) make loans

***Certain persons not to be appointed Managing Director or Whole-time Director***

134.(1) The Company shall not appoint, or employ, or continue the appointment of, a person as its Managing or Whole-time Director or Manager who

- (a) is an undischarged insolvent, or has at any time, been adjudged an insolvent;
  - (b) suspends, or has, at any time, suspended payment to his creditors, or makes, or has at any time made, a composition with them; or
  - (c) is, or has at any time been convicted by a court of an offence involving moral turpitude for a period of more than six months.
- (2) If the Managing or Whole-time Director ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director, as the case may be, of the Company.

**MANAGER**

*Manager*

135.(1) Subject to the provisions of the Act, if a Managing Director / whole time Director has not been appointed as provided for in the Articles, the Board may appoint a Manager for such term and on such remuneration and upon such conditions as it may deem fit; and any Manager so appointed may be removed by the Board.

(2) The Manager shall exercise such power or powers and for such period or periods and upon such conditions and subject to such restrictions as the Board may determine.



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

### ***Chief Executive Officer***

136. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board. The Board may appoint one or more chief executive officers for its multiple businesses

### **137. Director may be Chief Executive Officer etc.**

- (a) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer
- (b) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer

## **THE SEAL**

### ***The Seal, its custody and use***

138.(1) If the Board of Directors decides to have the common seal, if any, of the Company, it shall provide for safe custody of the same and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

(2) The Company shall also have liberty to have an official seal to use in any territory, district or place outside India.

### ***Seal to be affixed with the authority of the Board***

139. The seal of the company, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf and except in the presence of at least two Directors and of the Secretary or such other person as the Board may appoint for the purpose, and those two Directors and the Secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **DIVIDENDS**

### ***Division of profits***

140. The profits of the Company, subject to any special rights thereto created or authorised to be created by these Articles, and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital paid up on shares held by them, respectively.

### ***The General Meeting may declare a dividend***

141. The Company, in General Meeting, may declare in General dividends to be paid to Members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in

General Meeting may declare smaller dividend

***Dividends only to be paid out of profits***

142.No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act, or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both; Provided that

(a) a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company.

(b) that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be prescribed in this behalf.

(c) that no dividend shall be declared or paid by a company from its reserves other than free reserves.

***Interim dividend***

143.Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividend as appear to it to be justified by the profits of the company.

***Capital paid-up in advance at interest not to earn dividend***

144.Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

***Dividends to be in proportion to amount paid-up***

145.(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, the Company shall pay dividends in proportion to the amount paid- up or credited as paid-up on each share, where a larger amount is paid up or credited as paid-up on some shares than on others.

(2) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

***Retention of dividends until completion of transfer***

146.Subject to Act and rules made thereunder, the Board may retain the dividends payable upon shares in respect of which any person has become entitled to be a Member and any such other person is entitled to transfer until such person becomes a Member in of such shares or shall duly transfer the same.

***Dividend etc. to joint holders***

147. Any one of the several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus or other moneys payable in respect of such share.

148. No member shall be entitled to receive payment of any interest, dividend or bonus in respect of his share whilst any moneys may be due or owing from him to the Company in respect of such share or otherwise, howsoever, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any Member all such sums of money so due from him to the Company.

***Dividends how remitted***

149.(1) Unless otherwise directed, any dividend, interest or other monies payable in cash may be paid by electronic mode or such other permissible means or by cheque or demand draft or warrant sent through post directed to the registered address of the member or person entitled to the payment of dividend or in the case of joint holders, to the registered address of that one of joint holders who is first named on the register of members, or to such person and to such address as the holder or the joint holders in writing may direct.

(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(3) The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature on any payslip or receipt or the fraudulent recovery of the dividend by any other means.

***Dividend to be paid within prescribed time limit***

150. Subject to the provisions of the Act and rules applicable the Dividend shall be paid to the shareholders entitled thereof unless:

- (a) where the dividend could not be paid by reason of the operation of any law;
- (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with;
- (c) where there is a dispute regarding the right to receive the dividend;
- (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or
- (e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

***Unpaid or Unclaimed Dividend***

151.(1) Where the company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration, to any shareholder entitled to the payment of the dividend, the Company shall within prescribed period from the date of expiry of the aforesaid period, open a special account in that behalf in any scheduled Bank and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

(2) Any money transferred to the unpaid dividend account of the Company, which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the “Investor education and Protection Fund” established by Central Government.

***No interest on dividends***

152. Except as otherwise provided by law, no unpaid dividend shall bear interest as against the Company.

***Dividends in cash***

153. No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or otherwise as permitted under the Act, Rules and other applicable laws.

**Capitalisation of Profits**

154. (i) The company in General Meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the 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, subject to the provisions of the Act, Rules and other applicable laws.

iv. The Board shall give effect to the resolution passed by the company in pursuance of this Article.

**ACCOUNTS*****Directors to keep true Accounts***

155. (1) The Company shall keep at the Office or at such other place in India as the Board thinks fit, proper books of

account, other books and paper and financial statement for each financial year for giving true and fair view of the state of affairs of the company in accordance with the relevant provisions of the Act with respect to such matters as may be required.

(2) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year together with the vouchers relevant to entries in such books of account.

(3) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at the Office or the other place in India, at which the Company's books of account are kept.

#### ***Inspection of Books of Accounts***

156. The books of account, other relevant books and papers and financial statement shall be kept at the registered office of the company or at such other place as the Board may think fit and shall be open to inspection by the Directors during business hours.

No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Provided that inspection in respect of any subsidiary of the Company shall be done only by the person authorized in this behalf by a resolution of the Board of Directors.

#### ***Financial Statements***

157. (1) The Board shall, from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid at the Annual General Meeting a financial statement, containing a summary of the property and assets and of the capital and liabilities of the Company etc, made up to a date not earlier than the date of the Meeting by more than six months or such extended period as may be permitted under the Act.

(2) The financial statements of the Company shall give a true and fair view of the profit or loss of the Company for the financial year and shall comply with the requirements of the Act, so far as they are applicable thereto.

#### ***Board's Report***

158. (1) Every financial statement laid before the Company in Annual General Meeting shall be accompanied by a Report of the Board of Directors as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such Balance Sheet and the amount if any, which it recommends should be paid by way of dividend, material changes and commitments, if any, affecting the financial position of the Company between the end of the financial year to which the Balance Sheet relates and the date of the Report.

(2) The Board's Report shall, so far as is material for the appreciation of the state of the Company's affairs by its Members and which will not in the Board's opinion be harmful to the business of the Company, deal with any changes which have occurred during the Financial Year in the nature of the Company's business and generally in the classes of business in which the Company has an interest. The Board report shall also contain the matters required to be specified under the Act, Rules made thereunder and other laws

(3) The Board shall also give the fullest information and explanations in its Report aforesaid, or in an addendum to that report on every reservation, qualification or adverse remark contained in the Auditor's Report.

(4) The Board's Report and any addendum thereto shall be signed by not less than two Directors one of whom shall be the Managing Director or by the Chairman of the Board of Directors if authorised in that behalf by the Board.

(5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of clauses (1) to (3) of this Article are complied with.

#### **Signing of financial statement**

159.(1) The financial statements shall be signed on behalf of the Board of Directors by not less than two Directors, one of which shall be a Managing Director, if any and the Chief Executive Officer, if he is director, the Chief Financial Officer and the Company Secretary of the Company.

(2) The financial statement shall be audited by the Auditor and the Auditor's Report (including the Auditor's separate, special or supplementary report, if any) shall be attached thereto, and such Report shall be read before the Company in General Meeting and shall be open to inspection by any Member.

#### ***Accounts, etc., shall be sent to each Member***

160.(1) Subject to Article 160(2) below and first proviso to section 136 (1) of the Act, the copies of the documents will be made available for inspection at registered office during working hours, for a period of 21 days before the date of the General Meeting and a statement containing salient features, if any, of such documents in the prescribed form or copies of the documents, as the company may deem fit, unless shareholders ask for full financial statements

(2) A copy of every such financial statements, so audited, (including the Auditor's Report and every other document required by law to be annexed or attached, as the case maybe, to the financial statement) shall at least twenty one clear days before the meeting at which the same are to be laid before the Members, be sent:

- (a) to the Members of the Company; and
- (b) to trustees for the holders of such debentures;
- (c) to the Directors of the Company; and
- (d) to all persons entitled to receive notices of General Meetings of the Company.

**AUDIT***Auditors*

161 Once at least in every year the accounts of the Company shall be examined, and the correctness of the financial statement ascertained by an Auditor or Auditors.

*Company's books etc. shall always be open to Auditor's*

162. Auditors of the Company shall be appointed or re-appointed in accordance with the provisions of the Act.

163.(1) Every Auditor or Auditors of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company, whether kept at the Head Office of the Company or elsewhere, and shall be entitled to require from the officers of the Company such information and explanations as the Auditor or Auditors may think necessary for the performance of his or their duties as Auditor or Auditors.

(2) The Auditor or Auditors shall make a report to the Members of the Company on the accounts examined by him or them and financial statement and on every other document declared by the Act to be part of or annexed to the financial statement, which are laid before the Company in General Meeting during his or their tenure of office, and the report shall state, whether, in his or their opinion and to the best of his or their information and according to the explanations given to him or them, the said accounts give the information required by the Act in the manner so required and give a true and fair view :-

- (a) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year; and
- (b) in the case of the Profit and Loss Account, of the profit or loss for its financial year.

(2) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any Member of the Company.

(3) The report of Auditor(s) shall state all the matters as may be required to be specified under the provisions of the Act and Rules made thereunder and the Companies (Auditor's Report) Order, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable laws

*Auditors to receive notice of certain Meetings*

164. All notices of, and other communications relating to any General Meeting, which any Member is entitled to have sent to him, shall also be forwarded to the Auditor or Auditors of the Company; and the Auditor or Auditors shall be entitled to attend any General Meeting which he or they attend on any part of the business which concerns him or them as Auditor or Auditors.

*Inspection of books of accounts and other books and documents etc. of the Company by Punjab National Bank*

165. The Books of Accounts and other books and documents statutorily required to be maintained by the Company shall be open to inspection by the authorised representatives of Punjab National Bank at any time during business hours.

**DOCUMENTS AND NOTICES*****Service of documents or notices on members by Company***

166.(1) A document or notice may be served on or given by the Company to any Member or officer of the Company either personally or by sending it by post or such any other mode as provided in the Act and applicable Rules 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 notice on him.

(2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, repaying 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 or by registered post or such other mode as prescribed under the Act and rules made thereunder and 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.

***By advertisement***

167. A document or notice advertised in a 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, on every Member who has no registered address in India or has not supplied to the Company an address within India for the serving of the document on or the sending of notices to him.

***Service on joint-holders***

168. A document or notice may be served or given by the Company on or to the joint-holders of the 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.

***Service on official Receiver, liquidators etc.***

169. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of death, insolvency or winding up of a Member by sending it through the post or such other modes as may be provided in the Act and rules made thereunder in a prepaid letter addressed to them by name official assignee, receiver or liquidator of the Member in insolvency or winding-up 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, insolvency or winding-up had not occurred.

***To whom document or notices must be served or given***

170. Documents or notices of every General Meeting shall be served or given in the same manner herein before authorised on or to every Member and to the Auditor or Auditors for the time being of the Company; and other



person entitled thereto shall be served in the manner provided in Act and Rules made thereunder on every person entitled to a share in consequence of the death, insolvency or winding up of a Member.

***Members bound by documents or notices served on or given to previous holders***

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

***Document or notice by Company and signature thereto***

172. Any document or notice to be served or given by the Company may be signed by any Director, secretary or some person duly authorised by the Board of Directors for such purpose and the signature may be written, printed or lithographed.

***Service of document or notice by Member***

173. All documents or notices to be served or given by Members on or to the Company or any officer thereof shall be served or given by sending the same to the Company or officer at the Registered Office by post or such other mode as provided in the Act or rules applicable, or by leaving the same at its Registered Office.

**WINDING-UP**

***Winding up Liquidator may divide assets in specie***

174. Subject to the applicable provisions of the Act and the Rules made thereunder –

- (a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

***General Power***

175. Wherever in the Act and/ or Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles,

then and in that case these Article authorizes and empowers the Company to have such rights, privileges and/or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

#### **INDEMNITY AND RESPONSIBILITY**

*Indemnity and responsibility of Directors, officers, etc.*

176.(1) Save and except so far as the provisions of this Article shall be avoided by the Act the Board of Directors, Managing Director, whole time director, other Directors, Manager, Company Secretary, and other Officers or other employees for the time being of the Company, if any, Auditor and the trustees, if any, for the time being acting in relation to any of the affairs of the Company and every one of them and every one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators shall or may incur or sustain by or reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trust, except such, if any, as they shall incur or sustain through or by their own willful neglect or default respectively.

(2) None of them shall be answerable for the acts, commissions, omissions, neglects or defaults of the other or others of them or joining in any receipt for the sake of conformity, or for any bankers or other person with whom any moneys or effects belonging the Company shall or may be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto, except the same shall happen by or through their own willful neglect or default respectively.

(3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former directors and key managerial personnel and employees for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

#### **SECRECY**

*Members shall not be entitled to discovery, information etc.*

177.No Member shall be entitled to require discovery of or any information respecting any detail of the Company's business, or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors it would be inexpedient in the interest of the Company to disclose.

*Declaration of fidelity and secrecy*

178. Every Director, Officer and other employee of the Company shall before entering upon his duties sign a declaration in the form set out hereunder or such other form as the Directors may from time to time direct.

#### **DECLARATION OF FIDELITY AND SECRECY**

I, \_\_\_\_\_ on

becoming a Director/Officer/Employee of the PNB Gilts Limited, do solemnly and sincerely declare that I will

faithfully perform the duties of Director/Officer/ Employee and that I will to the best of my ability uphold the interest of the Company and that I will observe strict secrecy respecting all transactions of the Company and all matters relating thereto and that I will not directly or indirectly communicate or divulge any of the matters or any information which may come to my knowledge in the discharge of my duties as such Director/Officer/ Employee except when required or authorised to do so by the Board/s superior authority or by law.

PLACE : \_\_\_\_\_

DATE : \_\_\_\_\_

(SIGNATURE)

Names and addresses Occupation description of subscribers	Signature of Subscriber	Signature of witness with address description and occupation
1. Rashid Jilani S/o Late Sh. Shamid Hussian Jilani Chairman & Managing Director Punjab National Bank R/o 20, Rajdoot Marg, Chanakya Puri, New Delhi	Sd/-	<p style="text-align: center;">I witness the signatures of all the subscribers</p> <p style="text-align: center;">Sd/- AMAR MITTAL S/o SH. M.L. MITTAL R/o 201, Nidhi House, B2/1B Safdarjung Enclave, New Delhi- 110 029 Chartered Accountant, M. No. 17755</p>
2. Romesh Lal S/o Sh. Prakash Chand General Manager Punjab National Bank R/o A-2, PNB Residential Complex Attaur Rehman Lane 8, Underhill Road, Civil Lines, Delhi-110 054	Sd/-	
3. Ramchander Venkatramen Shastri S/o Sh. V.T. Shastri General Manager Punjab National Bank R/o A-1, Residential Complex Attaur Rehman Lane 8, Underhill Road, Delhi-110 058	Sd/-	
4. Hem Chand Jain S/o Late Ram Kishan Dass Jain General Manager Punjab National Bank R/o K-120, Hauz Khas, New Delhi-110 016	Sd/-	
5. Krishna Murthy Soma Shekhar S/o Sh. N. Krishna Murthy Rai General Manager Punjab National Bank R/o A-3, PNB Residential Complex Underhill Road, Delhi-110 052	Sd/-	
6. Yash Pall Narang S/o Sh. K.K. Narang Asstt. General Manager Punjab National Bank R/o 6/86, Sec.2, Rajendra Nagar Sahibabad, Ghaziabad-201 005	Sd/-	
7. Arun Kaul S/o Late Sh. V.N. Kaul Chief Investment Punjab National Bank R/o C-1/8, Asiad Games Village Complex, New Delhi-110 049	Sd/-	

Place : New Delhi

Dated : 29th February, 1996