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**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**RANE HOLDINGS LIMITED**

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**Memorandum of Association  
of  
RANE HOLDINGS LIMITED**

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- I. The name of the Company is **RANE HOLDINGS LIMITED.**
- II. The registered office of the Company shall be in the Presidency of Madras.
- III. The objects for which the Company is established are :-
  - (1) To acquire and take over as a going concern the business now carried on at Mount Road, Madras under the name and style of Rane (Madras) Limited, a private limited Company registered under the Indian Companies Act, 1913 and all or any of the assets and liabilities of the said Company in connection therewith, and with a view thereto to enter into the agreement referred to in clause 3 of the Company's Articles of Association and to carry the same into effect with or without modifications.
  - (2) To carry on in the city of Madras and elsewhere in the Presidency of Madras and other territories in India including Native states or elsewhere the business of running motor omnibus of all kinds and such lines as the Company may think fit and to transport passengers and goods and generally to carry on the business of carriers.
  - (3) To carry on the business of manufacturers of motor and other kinds of omnibuses, and vehicles for the transport of persons and goods whether propelled or moved by electricity, steam, oil, vapour or other motive or mechanical power.
  - (4) To carry on the business of garage proprietors, taxicab, omnibus, cab, fly and other public or private conveyance proprietors, omnibus, carriage, cab, fly and cart dealers, omnibus, coach, motor, carriage, cab, fly, cart or other vehicle manufacturers and repairers, garage, coach-house and stable builders, dealers in motor accessories of all kinds, motor and mechanical engineers.
  - (5) To manufacture, buy, sell, exchange, alter, improve and deal in vehicles of any kind so constructed as to progress by means of automatic power, whether by means of oil, electricity, steam, gas or otherwise.
  - (6) To manufacture, buy, sell, exchange, alter or improve manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, substances, materials and things necessary or convenient for carrying on any of the above specified businesses or proceedings, or usually dealt in by persons engaged in like business.
  - (7) To deal in Kerosene Oil, Petrol, Lubricating Oils, Paints, Varnishes and other allied articles.
  - (8) To undertake and execute any contracts for works involving the supply or use of machinery and to carry out any ancillary or other works comprised of such contracts.
  - (9) To manufacture, take up agencies and deal in type-writers and other office requisites.
  - (10) To carry on the business of electricians, and dealers in all apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity.
  - (11) To carry on the business of mechanical engineers and carriage builders in all their respective branches.

# RHL

- (12) To construct, maintain and alter any buildings or works, necessary or convenient for the purpose of the Company or otherwise, or to develop, maintain and carry on any scheme of house building likely to be of profit to the Company.
- (13) To acquire by purchase or otherwise any patents, licences and the like conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property rights or information so acquired.
- (14) To enter into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise with any person or Company carrying on or engaged in, or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company, and to lend money to and guarantee the contracts of, or otherwise assist any such person or Company and to take or otherwise acquire shares and securities of any such Company and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same.
- (15) To take, or otherwise acquire, and hold shares in any other Company having objects altogether, or in point, similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (16) To enter into any arrangements with any authorities Governmental, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them, and to obtain from any such authority, any rights, privileges, and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements or rights.
- (17) To consider, originate and support improvements in the law which may seem directly or indirectly conducive to any of the Company's objects and to resist and oppose alterations therein which may seem to the Company directly or indirectly adverse to the interest of the Company or its members, or any section thereof.
- (18) To acquire and undertake the whole or any part of the business, property and liabilities of any person or Company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of the Company.
- (19) To promote any Company or companies for the purpose of acquiring all or any of the property rights and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (20) To take up agencies for an on behalf of other companies carrying on any of the business that this Company is authorised to carry on.
- (21) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with any of the above objects are calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (22) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees and ex-employees of the Company or the dependants or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object.
- (22A) To aid pecuniarily or otherwise any association, body or movement having for an object the promotion of the industry or trade similar to that undertaken by the Company. **(vide**

**Special Resolution passed on 5<sup>th</sup> August 1966 as confirmed by Order of Court dated 20<sup>th</sup> January 1967)**

- (22B) To subscribe, donate or guarantee money for any national, charitable, public or useful object and to subscribe or donate for any political party or for any political purpose to any individual or body. **(vide Special Resolution passed on 5<sup>th</sup> August 1966 as confirmed by Order of Court dated 20<sup>th</sup> January 1967)**
- (23) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.
- (24) To lend money to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company and to guarantee the performance of contracts by such persons or companies.
- (25) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property including its uncalled capital, and to purchase, redeem, or pay off any such securities.
- (26) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (27) To sell or dispose of the undertaking of the Company or any part, thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of the Company.
- (28) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any immovable or movable property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business.
- (29) To procure the Company to be registered or recognised in any foreign country or place.
- (30) To carry on and undertake the business of investment, finance, insurance, loan and guarantee company and to invest in acquire, subscribe, purchase, hold, sell, divest or otherwise deal in securities, shares, stocks, equity linked securities, debentures, debenture stock, bonds, commercial papers, acknowledgements, deposits, notes, obligations, futures, calls, derivatives, currencies and securities of any kind whatsoever, whether issue or guaranteed by any person, company, firm, body, trust, entity, government, state, dominion, sovereign, ruler, commissioner, public body or authority, supreme, municipal, local or otherwise, whether in India or abroad.  
**(Amended vide special resolution approved by the shareholders through Postal Ballot on May 16, 2008)**
- (31) To carry on and undertake the business of financial services including financial restructuring / re-organisation, investment counseling, portfolio management and all activities and facilities of every description including all those capable of being provided by bankers, stock brokers, sub-brokers, merchant bankers, investment portfolio managers, trustees, agents, advisors, consultants, providing other financial or related services.

# RHL

- (32) To carry on and undertake the business of acting as agent of any person, public or private sector enterprises, financial institutions, banks, central government and state governments and to do financial research, design and preparation of feasibility study reports, project reports and appraisal reports in India and abroad.
- (33) To carry out scientific research in any field whatsoever and to develop, exploit and turn to account in India and abroad the know-how and other results of such research, and in any manner acquire, own, hold, operate, sell, or otherwise transfer, lease, license the use of, distribute or otherwise dispose of and generally to deal in intellectual property and intellectual property rights of every kind and description including patents, know-how, designs, trademarks, trade secrets, copyrights, discoveries, inventions.
- (34) To provide consultancy services related to the preparation and maintenance of accounting, statistical, scientific or mathematical information and reports, data processing, programming, collecting, storing, processing, transmitting information and data of every kind and description, system analysis, and machine services, for solving or aiding commercial, industrial scientific and research problems and for all other related business.
- (35) To carry on the business of advisors and consultants on all matters and problems relating to the administration, organization, finance, management, personnel, commencement or expansion of industry and business (including purchase of land construction of plants and machines, buildings, production, purchases, sales, marketing, advertisement, publicity, personnel, export and import) and of institutions, concerns, bodies, associations (incorporated and unincorporated), departments and services of the Government, public or local authorities, trusts, scientific research and development centers.
- (36) To render technical assistance and services for maintenance or otherwise in connection with the use, purchase, sale, import, export, lease or distribution, hire, license, design, manufacture of any machines, apparatus, appliance, system, component, electronic and electromechanical products and systems, any other product, software programs to negotiate, enter into, render assistance and services in connection with any joint-venture, foreign collaboration and license or other agreements.
- (37) To supply and provide, maintain and operate services (including logistics services) applicable over the whole range of industry, trade, commerce and agriculture and to undertake preliminary planning, site development studies, feasibility reports, design engineering, procurement, factory /site inspection, construction management, trial and acceptance testing, operator training, plant betterment services, etc., including technical and specialized advice on projects.
- (38) To establish training centers, maintain and conduct training and development courses and programs in personnel, technical, managerial, marketing, engineering, quality control, accounting, computer programming / application skills, designing and such other fields, using in-house or external faculties and also to render such services to any other companies or organizations.
- (39) To establish, fund and support or aid in establishing recreational institutions, hospitals, dispensaries, Medical or other assistance or conveniences, welfare activities calculated to benefit employees of the company or its predecessors in business or dependants or families of such persons and to grant pensions and allowances to such persons and to form or subscribe to or otherwise aid benevolent, religious, scientific, national or other institutions or objects.
- (40) To train or pay for the training in India or abroad of any of the company's employees, officers, directors, technicians or any candidate in the interest of or for furtherance of the company's objects and provide for or contribute to the award of scholarships, prizes, grants to students or otherwise in encouragement of such studies and research.
- (41) To act as a service organization or bureau for providing advice and services in various fields such as general administrative, human resource, secretarial, management

consultancy, commercial, financial, fund mobilizing, direct and indirect taxation and other levies, legal, economic, labour, industrial, public relations, scientific, technical, statistical, accountancy, business development, quality control, total quality management, policy framing, Analysts, computer system, hardware, software maintenance and data processing.

- (42) To purchase, accept gift, import or otherwise acquire, build, make, construct, equip, maintain, improve, alter, manage and let on hire all kinds of computer hardware and software, business machines, technical information, know-how, processes, engineering, manufacturing and operating data, plans, layout, blue prints.
- (43) To carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, distributing and dealing in electricity and all forms of energy and power generated by any source whether nuclear, steam, hydro or tidal, water, wind, solar hydrocarbon fuel or any other form, kind or description.
- (44) To produce, generate, buy, sell, transmit and deal in electrical energy and all other forms of energy and carry on the business of electricians, and dealers in all apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity and all other forms of energy for captive consumption or otherwise.
- (45) To act as Registrar and Security Transfer Agents for any company or body corporate in physical and depository forms, Registrars to public / rights / bonus/ preferential or other issues of any securities including offer for sale or open offers made under the acts, rules and regulations made by the Securities and Exchange Board of India or any other regulatory body from time to time, whether in India or abroad.
- (46) To act as custodians of securities and Depository Registrars / Participant and for this purpose, become members of the depositories and to provide all services to clients in the capacity as custodian of securities / depository registrars / participant, subject to the provisions of the Depositories Act, 1996 and such other applicable laws, rules and regulations and to do such other acts, that are necessary and incidental for this purpose.
- (47) To acquire, amalgamate with and or undertake the whole or any part of the business properties and liabilities of any person or company carrying on any business which this company is authorised to carry on or possessed of property and suitable for the purposes of this company.
- (48) To insure against all risks of goods and materials bought or sold by the company in connection with its business and undertake financial and commercial obligations, transactions and operations of all kinds.
- (49) To do all or any of the above things, either, as principals, trustees, contractors or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.”

**(Sl. No. 30 to 49 inserted vide Special Resolution approved by the shareholders through Postal Ballot on December 21, 2005)**

- (50) To do all such other things as are incidental or conducive to the attainment of the above objects.
- (51) To distribute any of the property of the Company among its members in kind.

**(Original Sl. No. 30 and 31 re-numbered as 50 and 51 vide Special Resolution approved by the shareholders through Postal Ballot on December 21, 2005)**

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- IV. The liability of the members is limited.
- V. The authorised share capital of the company is Rs.20,00,00,000 (Rupees Twenty Crores) divided into 1,50,00,000 equity shares of Rs.10 each and 50,00,000 preference shares of Rs.10 each. **(vide ordinary Resolution passed at the Extraordinary General Meeting of the Company held on 23.2.2007)**

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

	<b>Names, Addresses and Description of Subscribers</b>	<b>Signature</b>	<b>Number of Shares (Ordinary) taken by each Subscriber</b>
1.	K BHASHYAM, Advocate, Mylapore, Madras.	K BHASHYAM ...	50
2.	T R GANAPATHY IYER, Merchant, Gopalapuram, Madras.	T R GANAPATHY IYER ...	50
3.	K C MAMMAN MAPPILLAI, Land-lord Alleppy	K C MAMMAN MAPPILLAI ...	50
4.	M SANKARA IYER, Merchant, Broadway	M SANKARA IYER ...	50
5.	C R SRINIVASAN, Journalist (Editor, Swadeshmitran), Reserve Bank Director, Madras	C R SRINIVASAN ...	1
6.	M C T M CHIDAMBARAM CHETTY Banker, Adyar, Madras.	M C T M CHIDAMBARAM CHETTY ...	1
7.	V R SUBRAMANIA IYER, Merchant, Linga Chetty Street, Madras.	V R SUBRAMANIA IYER ...	10
		Total ...	212

Dated the third day of March 1936.

Witness to the above signatures :

H D RAJAH, Journalist,  
3, Kondi Chetty Street, Madras.

V VENKATARAMAN, Advocate,  
3, Kondi Chetty Street, George Town, Madras.

\*\*This new revised Articles of Association of the Company was adopted by Special Resolution passed by the Members at the Annual General Meeting held on August 12, 2015 in place of, in substitution of and to the entire exclusion of the existing Articles of Association.

**Articles of Association \*\***  
**Under The Companies Act 2013**  
**of**  
**RANE HOLDINGS LIMITED**

1. Unless the context otherwise requires, words interpretation or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force on the date on which the Articles become binding on the Company.
2. The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith :-

“**Act**” means the Companies Act, 1956 and the rules made thereunder (as applicable), the Companies Act, 2013 and the rules made thereunder, each as amended, modified, restated or re-enacted from time to time.

“**Affiliates**” means, with respect to any person, any corporation, partnership, trust or any other business entity directly or indirectly Controlling, Controlled by, or under common Control with such person for so long as such Control continues.

“**Annual General Meeting**” means a General Meeting of the Members held in accordance with the provisions of the Act.

“**Articles**” means these Articles of Association as from time to time altered.

“**Board of Directors**” or “**Board**” means the Board of Directors for the time being of the Company.

“**Company**” means **RANE HOLDINGS LIMITED**.

“**Control**” shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements



or in any other manner. The expressions "Controlling" and "Controlled" shall have corresponding meanings.

**"Debenture"** includes debenture stock.

**"Depositories Act"** means Depositories Act, 1996 or any statutory modifications or re-enactment thereof.

**"Depository"** means a depository as defined under the provisions of the Depositories Act and in accordance with any other law and/ or regulations for the time being in force.

**"Directors"** means the directors appointed to the Board of the Company.

**"Dividend"** includes bonus.

**"Extraordinary General Meeting"** means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.

**"Independent Director"** shall have the meaning ascribed to it in the Act.

**"Key Managerial Personnel"** means the Chief executive officer or the managing director, the company secretary, wholetime director, chief financial officer, and such other person or officer as may be notified from time to time in the Act.

**"Office"** means the Registered Office for the time being of the Company.

**"Ordinary Resolution"** and **"Special Resolution"** shall have the meanings respectively assigned thereto in the Act.

**"Paid-up"** includes credited as paid up.

**"Proxy"** includes attorney duly constituted under a Power of Attorney.

**"Register"** means the Register of Members of the Company required to be kept under the Act.

**"Registrar"** means the Registrar of Companies

**"Seal"** means the Common Seal for the time being of the Company.

**"Secretary"** means a Key Managerial Person appointed by the Directors to perform any of the duties of a Company Secretary.

**"Share Capital"** or **"Capital"** means the capital for the time being raised or authorised to be raised for the purposes of the Company.

“Shareholders” or “Members” means the duly registered holders of the Shares from time to time.

“Shares” means the shares into which the Capital is divided and the interests corresponding to such Shares.

3. “In writing” and “written” include printing, lithography and other modes of representing or reproducing words in a visible form.
4. Words importing the singular shall also include the plural and vice versa and words importing the masculine gender also include the feminine gender and vice versa.
5. Words importing persons include corporations, limited companies and partnership firms.
6. References to a legislation include any statute, bye-law, regulation, rule, subordinate or delegated legislation or order, and reference to any legislation is to such legislation as amended, modified or consolidated from time to time and / or to any legislation replacing it or made under it.
7. The regulations contained in Table “F” in the First Schedule to the Act shall not apply to the Company. However, if these Articles of Association of the Company do not make any provision for any matter and the regulations of Table “F” make any provisions in regard to such matters, then the regulations of Table “F” shall apply to such matters.

### **CAPITAL AND SHARES**

8.
  - (a) The Authorised Capital of the Company shall be such amount and of such description as is stated for the time being or at any time in the Company’s Memorandum of Association with such rights, privileges and conditions provided by any statutory enactment for the time being in force and as may be provided by these Articles or by a resolution passed at a general meeting duly convened and held for the purpose.
  - (b) The Company may from time to time, subject to the provisions of the Act, purchase its own Shares.

### **POWERS TO ISSUE REDEEMABLE PREFERENCE SHARES**

9. The Company may, from time to time or at any time, issue Preference Shares which are liable to be redeemed within a period not exceeding twenty years from the date of their issue, subject to the provisions of the Act:

Provided that:-

- (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 purpose of redemption;
- (b) no such Shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Share premium account before the Shares are redeemed, subject to applicable law;
- (d) where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividends, be transferred to reserve fund, to be called "the capital redemption reserve fund" a sum equal to the nominal amount of the Shares redeemed; and the provisions of the Act relating to the reduction of the Share Capital of a Company, shall except as provided herein apply as if the capital redemption reserve fund were paid-up Share Capital of the Company.

10.

- (a) Subject to the provisions of the Companies Act, the redemption of Preference Shares may be effected on such terms and in such manner as may be provided for at the time of issue.
- (b) The redemption of Preference Shares under this clause shall not be taken as reducing the amount of the Authorised Share Capital of the Company.
- (c) The Capital Redemption Reserve Fund may, notwithstanding anything in this Article, be applied by the Company in paying up unissued Shares of the Company to be issued to Members of the Company as fully paid bonus Shares.

11. An application signed by an applicant for Shares in the Company, or where the Power of Attorney or other Authority under which such application is signed or a notarially certified copy of that power or authority is deposited at the Registered Office of the Company, an application signed on behalf of such person, followed by an allotment of any Share therein, shall be an acceptance of Shares within the meaning of these Articles; and every person who thus or otherwise accepts any Share and whose name is on the Register, shall for the purposes of these Articles be a Member.

12. The Company shall cause to be kept a Register, a register of Debenture holders and a register of other security holders in accordance with the provisions of the Act. The Company may keep in any country outside India, a foreign register, containing the names and particulars of the Members, Debenture holders, other security holders and beneficial owners residing outside India, if any.

13. Two or more persons may be registered as the holders of a Share and they shall be deemed to be the joint holders thereof. The Company shall be entitled to pay the first named person jointly registered as the holder of a Share any dividend, bonus, capital or other moneys payable in respect thereof and any one of such persons may give effectual receipts therefor.
14. The joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such Share.
15. No person shall exercise any rights or privileges of a Member until his name shall have been entered in the Register of Members and he shall have paid all calls and other moneys for the time being due and payable on any Share in the Company held by him.
16. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register or in any register of Debenture holders or in any register of other security holders as the registered holder of any Share or Debenture or other such security as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognise any benami, equitable or other claim to or interest in such Share, Debenture or other security on the part of any other person.
17.
  - (a) The Company may exercise the powers of paying commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares as a result of any underwriting obligations, Debentures or Debenture stock in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any Shares, Debentures or Debenture stock in the Company, but so that if the commission in respect of Shares shall be paid or payable out of proceeds of the issue or the profit of the Company or both, the statutory conditions and requirements shall be observed and complied with.
  - (b) The rate of commission shall not exceed the limit, if any, prescribed by law.
  - (c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or Debentures or partly in the one way and partly in the other.
  - (d) The Company may also, on any issue of Shares and Debentures, pay such brokerage as may be lawful.

**CERTIFICATES**

18.

- (a) Every person whose name is entered in the Register of Members or in the register of holders of Debentures shall be entitled to receive within the time-specified in the Act or within such other period as the conditions of issue shall provide one certificate for all his Shares or Debentures without payment. The Company shall on receipt of request in writing from any Member or Debenture holder, issue free of charge, the required number of certificates, each such certificate being for that number of Shares or Debentures which represents the market lot for the time being or for more or less than the number, in cancellation of the certificate or certificates specifying the Shares or Debentures in the Company of which he is the registered owner.
- (b) The issue and sealing of Share certificates and duplicates and the issue and sealing of new Share certificates on consolidation or such division or in replacement of Share certificates which are surrendered for cancellation due to their being defaced, torn, old, decrepit or worn out or the cages for recording transfers having been utilised or of Share certificates which are lost or destroyed shall be in accordance with the provisions of the Act. If any Share certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board thinks fit being given, a new certificate in lieu thereof shall be given free of charge to the party entitled to the Shares to which such lost or destroyed certificate shall relate.
- (c) In respect of any Share or Shares or any Debenture or Debentures held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share or Debenture to one of the several joint holders shall be sufficient delivery to all such holders.

**CALLS ON SHARES**

19.

- (a) The Board may, from time to time, subject to the provisions of the Act, make such calls as the Board thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, whether on account of the nominal value of the Shares or by way of premium, and not by the conditions of allotment thereof made payable at fixed times;
- (b) Provided that no call shall exceed one-fourth of the nominal value of the Share nor shall it be made payable within one month after the last preceding call was payable.

- (c) Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified the amount called on his Shares.
  - (d) A call may be revoked or postponed or time for payment extended at the discretion of the Board.
- 20. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid in instalments.
- 21. If, by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the Share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice has been given, and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.
- 22.
  - (a) If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the Share for which the call shall have been made or the instalment shall be due shall pay interest for the same from the day appointed for the payment thereof to the time of the actual payment, at the rate of twelve per cent per annum or at such lower rate, if any, as the Board may determine.
  - (b) The Board shall be at liberty to waive payment of any such interest either wholly or in part.
- 23. Subject to the provisions of any law in force to the contrary, on the trial or hearing of any action or suit brought by the Company against any Shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his Share, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose, on the Register as a holder or one of the joint holders of the number of Shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made the call, nor that a quorum was present at the Board Meeting at which any call was made, nor that the Meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

24. The Board :
- (a) may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled or unpaid upon any Shares held by him; and
  - (b) upon the moneys so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, may pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve per cent per annum as the Member paying such sum in advance and the Board agree upon. Money so paid in excess of the amount of calls shall be appropriated, upon the call being made, only against the amount being called upon and shall not rank for dividends or confer any voting rights or a right to participate in the profits; such a Member shall not be entitled to any voting rights in respect of such amount paid by him until that amount has been called up.
  - (c) may, at any time, repay the amount so advanced upon giving to such Member not less than three months' notice in writing.

**FORFEITURE AND LIEN**

25. If any Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such Member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
26. The notice aforesaid shall :-
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid ; and
  - (b) state that, in the event of non-payment on or before the time and at the place appointed, the Shares in respect of which such call was made or instalment is payable will be liable to be forfeited.
27. If the requirements of any such notice as aforesaid are not complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.

28. When any Share shall have been forfeited, notice of the resolution shall be given to the Member in whose name it stood immediately prior to the forfeiture or to his legal representative and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
29. The forfeiture of a Share shall involve the extinction, at the time of forfeiture, of all interest, in and also of all claims and demands against the Company in respect of that Share, and all other rights incidental to the Share except only such of those rights as are by these Articles expressly saved.
30. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit.
31. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
32.
  - (a) A person whose Share has been forfeited shall cease to be a Member in respect of the forfeited Share, but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay to the Company all calls or instalments, interest and expenses as the Board may decide, owing upon or in respect of the Share, at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at of such interest and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the Share at the time of forfeiture, but shall not be under any obligation to do so.
  - (b) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares.
33.
  - (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director, Manager or Secretary of the Company and that certain Shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.
  - (b) The declaration aforesaid and the receipt of the Company for the consideration, if any, given for the Shares on the sale or disposition thereof shall constitute a good title to such Shares. The Company may appoint some



person to execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of.

- (c) The transferee shall thereupon be registered as the holder of the Share.
  - (d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale or disposition of the Share.
34. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as herein before provided.
35. The provision of Articles 25 to 34 hereof shall apply in the case of non-payments 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 a Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
36. The Company shall have a first and paramount lien upon every Share (other than a fully paid-up Share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and (b) on all Shares (not being fully-paid Shares) standing registered in the name of a single person, for all the moneys presently payable by him or his estate to the Company. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares. The Directors may at any time declare any Shares to be wholly or in part to be exempt from the provisions of this Article.
37. For the purpose of enforcing such lien the Board may sell the Share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such Member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such Share for seven days after the due date of notice.
38. The proceeds of 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. The residue, if any, shall be subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale
39. Where any Shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the

former holder of the said Shares, the Directors may issue a new certificate for such Shares distinguishing it in such manner as they may think fit for the certificate not so delivered up.

### **TRANSFER AND TRANSMISSION OF SHARES**

40. Save as provided in the Act, no transfer of any Share in or Debenture of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by and on behalf of the transferor and by and on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company within a period of 60 days from the date of execution, together with the certificate relating to the Share or Debenture or, if no such certificate is in existence, the Letter of Allotment of the Share or Debenture, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address. The transferor shall be deemed to remain the holder of the Shares or Debentures to be transferred until the name of the transferee is entered upon the register in respect thereof.

Nothing contained in this Article shall apply to transfer of Shares effected by the transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

41. Application for the registration of the transfer of a Share or Debenture may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall, in the case of a partly paid Share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the Act, and subject to the provisions of these Articles the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for the registration of the transfer was made by the transferee.
42. The instrument of transfer of any Share or Debenture shall be in writing and all the provision of the Act shall be duly complied with in respect of all transfers of Shares and Debentures and the registration thereof.
43. Subject to the provision of the Act, the Board, without assigning any reason for such refusal, may refuse to register any transfer of, or the transmission by operation of law of the right to a Share not being fully paid Shares to a person of whom they do not approve and also any transfer of a Share on which the Company has a lien.
44. If the Board refuses in pursuance of the preceding Article or otherwise, to register the transfer of any Shares, the Company shall, give notice of the refusal to the transferee and the transferor in accordance with the provisions of the Act.

45. Subject to the provisions of the Act, the registration of transfers may be suspended at such times and for such periods as the Board may, from time to time, determine.

Provided that such registration shall not be suspended for more than thirty days at any one time or for forty five days in the aggregate in any year.

46. The executor, legal representative, nominee or administrator of a deceased Member (not being one of several joint holders) shall be the only person recognised by the Company as having any title to the Share registered in the name of such Member, and, in case of the death of any one or more of the joint holders of any registered Share, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on the Share held by him jointly with any other person.
47. Before recognizing any executor or administrator the Board may require him to obtain a Grant of Probate or Letters of Administration, Succession Certificate or other legal representation, as the case may be, from a competent Court in India and having effect in the State of Tamil Nadu ; Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration, Succession Certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider adequate.
48. Any committee or guardian of a lunatic or infant Member or any person becoming entitled to or to transfer a Share in consequence of the death or bankruptcy or insolvency of any Member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may, with the consent of the Board (which the Board shall not be bound to give), be registered as a Member in respect of such Share or may, subject to the regulations as to transfer hereinbefore contained, transfer such Share.
49. All instruments of transfer, which shall be registered, shall be retained by the Company, but any instrument of transfer, which the Directors may decline to register, shall be returned to the person depositing the same. If the Directors refuse to register the transfer of any Shares, the Company shall, within thirty days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal.
- 50.
- (a) If the person so becoming entitled under the transmission Article shall elect to be registered as the holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

- (b) If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer of the Share.
- (c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instruments of transfer of a Share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the Member had not occurred and the notice of transfer were a transfer signed by that Member.
- (d) No fee shall be charged for registration of (1) transfer or transmission of Shares, and (2) Power of Attorney, Probate, Letter of Administration, or other similar documents.

51. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company.

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

52.

- (a) Except as specifically provided in these Articles, the provisions relating to joint holders of Shares, calls, lien on Shares, forfeiture of Shares and transfer and transmission of Shares shall be applicable to Shares held in a depository so far as they apply to Shares held in physical form subject to the provisions of the Depositories Act or such other regulations for the time being in force.
- (b) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its Shares including preference Shares, Debentures and other securities pursuant to the Depositories Act and to offer its Shares, Debentures or other securities for issue in dematerialised form. The Company shall be further entitled to maintain a register with the details of Members holding Shares both in physical and dematerialised form in any media as permitted by law including any form of electronic media.
- (c) Notwithstanding anything contained herein, in the case of transfer of Shares, whether preference and/ or equity or other marketable securities where the Company has not issued any certificates and where such Shares or securities

are being held in electronic and fungible form; the provisions of Depositories Act shall apply.

- (d) The register and index of beneficial owners maintained by a depository under the Depositories Act shall be deemed to be the register and index of Members and register and index of Debenture holders and register and index of other security holders, as the case may be, maintained by the Company or its registrar and share transfer agent, for the purpose of the Act.

### **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

- 53. The Directors, with the sanction of an ordinary resolution of the Company in General Meeting, may convert all or any fully paid-up Shares into Stock and may reconvert any Stock into fully paid-Shares of any denomination. When any Shares have been converted into Stock, the several holders of such Stock may, thenceforth transfer their respective interests therein, or any part of such interest in the same manner and subject to the same regulations as, and subject to which, fully paid-up Shares in the Company's Capital may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of Stock transferable.
- 54. The Stock shall confer on the holders thereof respectively the same privileges and advantages as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by Shares of equal amount in the Capital of the Company but so that none of such privileges or advantages (except the participation in profits of the Company or in the assets of the Company on a winding up) shall be conferred by any such aliquot part of Stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Such of the regulations of the Company as are applicable to paid-up Shares shall apply to Stock and the words "Share" and "Shareholder" in those regulations shall include "Stock" and "Stockholder" respectively.

### **ALTERATION OF CAPITAL**

- 55. The Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares of such amount as may be deemed expedient.
- 56. Subject to any special rights or privileges for the time being attached to any Shares in the Capital of the Company then issued under the provisions of the Act, the new Shares may be issued upon such terms and conditions and with such rights and privileges attached thereto as the General Meeting resolving upon the creation thereof shall direct, and, if no direction be given, as the Board shall determine, and in particular such Shares may be issued with a preferential or qualified right to dividends

and in the distribution of assets of the Company and with a special or without any right of voting, subject always to the Act.

Provided that option or right to call on Shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

57. Where at any time subsequent to the first allotment of Shares in the Company, it is proposed to increase the subscribed Capital of the Company by the issue of new Shares, then, such new Shares will be issued in accordance with the provisions of the Act.
58. Except in so far as otherwise provided by the conditions of issue, or by these presents, any Capital raised by the creation of any Shares shall be considered part of the original Capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise.
59. The Company in General Meeting may from time to time, in accordance with the provisions of the Act:
  - (a) consolidate and divide all or any of its Share Capital into Shares of larger or smaller amount than its existing Shares;
  - (b) subdivide its existing Shares or any of them into Shares of larger or smaller amount than is fixed by the Memorandum so, however, that in the subdivision, the proportion between the amount paid and the amount, if any unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; and
  - (c) cancel any Shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the Shares so cancelled.
60. The Company may, (subject to the provisions of the Act) from time to time, by special resolution, reduce its Capital and any Capital Redemption Reserve Account or Share Premium Account in any manner and with and subject to any incident authorised and consent required by law.
61. Subject to the provisions of the Act, the Board may accept from any Member the surrender, on such terms and conditions as shall be agreed, of all or any of his Shares.

#### **MODIFICATION OF RIGHTS**

62. If, at any time, the Capital (by reason of the issue of Preference Shares or otherwise) is divided into different classes of Shares all or any of the rights and privileges attached to each class may, subject to the provisions of the Act, be modified,

commuted, affected, abrogated, or otherwise varied subject to (a) the consent in writing of the holders of at least three fourths of the issued Shares of that class, or (b) the sanction of a Special Resolution passed at a separate general meeting of the holders of those Shares of that class, provided that if variation by one class of Shareholders affects the rights of any other class of Shareholders the consent of three fourths of such other class of Shareholders shall also be obtained. To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued Shares of the class in question. This Article is not by implication to curtail the power of modification, which the Company would have if this Article were omitted.

### **BORROWING POWERS**

63. Subject to of the provisions of the Act, the Board may, from time to time, at their discretion raise or borrow from any person or persons and secure the payment of any sum or sums of money for the purposes of the Company, and may themselves lend to the Company on any security or otherwise, any sums of money or arrange to obtain banking credits or other banking facilities and may generally exercise all the powers of borrowing and raising of money vested in the Company by the Memorandum of Association .Subject to the provisions of the Act unless the Company in General Meeting otherwise consents by special resolution, the money to be borrowed together with the money already borrowed shall not exceed the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set aside for any specific purpose), provided however that this limitation shall not apply to temporary loans obtained from the Company's bankers in the ordinary course of business. No debt incurred by the Company in excess of the limit hereby imposed shall be valid and effectual unless the lender proves that he advanced the loan in good faith and without knowledge that such limit had been exceeded.
64. The Board may raise or secure the repayment or payment of any sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the creation of any mortgage or charge on the undertaking of the whole or any part of the property, present or future, or uncalled Capital of the Company or by the issue of bonds, perpetual or redeemable, Debentures or Debenture-Stock of the Company charged upon all or any part of the property of the Company both present and future, including its uncalled Capital for the time being.
65. Any Debentures, Debenture-Stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of Shares, attending at General Meetings of the Company (but not for voting thereat) appointment of Directors (subject to the provisions of the Act) and otherwise. Debentures, Debenture-Stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

66. The Directors shall cause a proper register to be kept in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company; and shall duly comply with the requirements of the Act, in regard to the registration of mortgages and charges therein specified and otherwise, and shall also duly comply with the requirements of the Act, as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office, and the requirements of the Act, as to giving intimation of the payment of satisfaction of any charge or mortgage created by the Company.
67. The Company shall maintain all such registers, and in such form and manner, as is required by the Act and the Rules. Copies of extracts from such registers and from such deeds, documents, instruments, returns, certificates and books as specified in the Act and the Rules shall be made available to such persons as may be entitled to such copies under the Act upon payment of such fees as is prescribed in these Articles subject to the maximum fees as may be permitted under the Act.
68. The Company shall comply with the provisions of the Act as to allowing inspection of copies kept at the Office in pursuance of the Act, and as to allowing inspection of the Register of Charges to be kept at the Office in pursuance of the Act.
69. The Company may, after giving such notice as may be required by the Act close the Register, the register of Debenture holders or the register of any other security holders for any period or periods, not exceeding in the aggregate forty-five days in any year but not exceeding thirty days at a time. Subject as aforesaid every such Register shall be open to the inspection of the registered holder of any such Debentures, any Member or other security holder or beneficial owner without payment of any fees and by any other person upon payment of a fee of Rs 50 per inspection (or any other amount that may be prescribed by the Board from time to time, subject to any maximum amount specified by the Act) for two hours between 11.00 am and 1.00 pm on every working day at the Office. A fee of Rs. 10 per page of (or such other amount that may be prescribed by the Board from time to time, subject to any maximum amount specified by the Act) shall be payable by any Member, Debenture holder, other security holder or beneficial owner or any other person for obtaining a copy of any register of Shareholders, Debenture-holders, or other security holders or any entries therein.
70. If any uncalled Capital of the Company be included in or charged by any mortgage or other security, the Board may by instrument under the Company's Seal authorise the person in whose favour such mortgage or security is executed, or any other person in trust for him to make calls on the Members in respect of such uncalled Capital, and the provisions hereinbefore contained in regard to calls shall mutatis mutandis, apply to calls made under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Board's powers or otherwise and shall be assignable if expressed so to be.



71. Where any uncalled capital of the Company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the Shareholders or otherwise, to obtain priority over such prior charge.
72. If the Directors or any of them, or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Directors, may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part thereof of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

### **GENERAL MEETING**

73. In addition to any other Meetings, General Meetings of the Company shall be held within such intervals as are specified in the Act, and, subject to the provisions of the Act, at a time during business hours, that is, between 9 a.m. and 6 p.m. on a day that is not a national holiday and shall be held either at the Office of the Company or at such times and places in the city, town or village in which the Office of the Company is situate, as may be determined by the Board. Each such General Meeting shall be called an “Annual General Meeting” and shall be specified as such in the notice convening the Meeting. Any other Meeting of the Company shall be called an “Extraordinary General Meeting”.
74.
  - (a) The Board may whenever it thinks fit call an Extraordinary General Meeting and it shall, on the requisition of the Members in accordance with the Act, proceed to call an Extraordinary General Meeting. The requisitionists may, in default of the Board convening the same, convene the Extraordinary General Meeting as provided under the Act. If at any time directors who are sufficient in number to form a quorum are not within India, any director or any two Members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
  - (b) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and sent to the Office of the Company.
  - (c) The requisition may consist of several documents in like form, each signed by one or more requisitionists.
  - (d) The number of Members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the

requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.

- (e) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (d) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled.
- (f) If the Directors do not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.
- (g) A meeting called under sub-clause (f) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
- (h) Any reasonable expenses incurred by the requisitionists in calling a meeting shall be reimbursed to the requisitionists by the Company and the sums so paid shall be deducted from any fee or other remuneration under the Act payable to such of the Directors who were in default in calling the meeting.

75. The Company shall comply with the provisions of the Act as to giving notice of resolutions and circulating statements on the requisition of Members.

#### **NOTICE OF MEETING**

76.

- (a) Save as provided in the Act, not less than clear twenty one day's notice shall be given to every Member of every General Meeting of the Company, either in writing or through electronic mode. Every notice of a Meeting shall specify the place and the day and the hour of the Meeting and shall contain a statement of the business to be transacted thereat and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of him and that a Proxy need not be a Member of the Company. Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the Members entitled to vote at such meeting. Where any such business consists of "special business" as hereinafter defined in these Articles, there shall be annexed to the notice a statement complying with the provisions of the Act.

- (b) Where any item of business refers to any document which is to be considered at the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
- (c) Notice of every Meeting of the Company shall be given to every Member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member, to the Auditors of the Company, to every Director of the Company and to any persons entitled to a Share in consequence of the death or insolvency of a Member in any manner hereinafter authorised for the giving of notice to such persons.
- (d) The accidental omission to give any such notice to or its non-receipt by any Member or other person to whom it should be given shall not invalidate the proceedings of the Meeting or any resolutions passed thereat.

### **PROCEEDINGS AT GENERAL MEETINGS**

- 77. The ordinary business of an Annual General Meeting shall be to consider the financial statements and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other General Meeting shall be deemed special business. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the Meeting proceeds to transact the business. The quorum for a General Meeting shall be as prescribed by the Act.
- 78. If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting if convened upon the requisition of Members as aforesaid, shall be dissolved; but in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned Meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
- 79. Any act or resolution which under the provisions of these Articles or of the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed, if effected by an ordinary resolution as defined in the Act, unless either the Act or these Articles specifically require such act to be done or resolution passed by a special resolution as defined in the Act.
- 80. The Chairman of the Board or the person acting as Chairman of the Board shall be entitled to take the chair at every General Meeting. If there be no such Chairman, or if at any Meeting he shall not be present within fifteen minutes after the time appointed for holding such Meeting, or is unwilling to act, the Members present shall choose

another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, then the Members personally present shall, on a show of hands or on a poll, if properly demanded, elect one of their Members- entitled to vote, to be Chairman.

81.

(a) The Chairman may with the consent of any Meeting at which a quorum is present and shall, if so decided by the Meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.

(b) When a meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting but save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

82. At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded in accordance with the provisions of the Act, or the voting is carried out electronically, be decided on a show of hands.

83. In case of equality of votes on any business transacted at any general meeting, whether on show of hands, or on a poll or in electronic voting, the Chairman of the Meeting shall have a casting vote, in addition to the vote to which he may be entitled as a Member.

84. Every Director of the Company shall have the right to attend at any General Meeting of the Company and also to take part in the discussions thereat even if he may not be required to hold any Shares in the Capital of the Company.

85.

(a) Subject to any rights or restrictions for the time being attached to any class or classes of Shares and the provisions of the Act,—

(i) on a show of hands, every Member present in person shall have one vote; and

(ii) on a poll or in electronic voting, the voting rights of Members shall be in proportion to his share in the paid-up equity Share capital of the Company.

(iii) Preference Shares shall not (save as provided by the Act) confer on the holders the right to attend or vote at any General Meeting.

- (b) A Member may also exercise his vote by electronic means in accordance with the Act and shall vote only once.

86.

- (a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the Register. Several executors or administrators of a deceased Member in whose name a Share is registered shall for the purpose of this Article be deemed joint holders thereof.
- (b) A body corporate (whether a company within the meaning of the Act or not) which is a Member of the Company may by resolution of its board of directors or other governing body authorise any person (whether a member of the company or not) to act as its representative at any meeting of the Company, or at any meeting of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents as if he were an individual Member of the Company, including the power to appoint a proxy and any such authority may be either general, unless or until revoked, or special for a particular meeting. The production at the meeting of a copy of such resolution duly signed by one Director of such body corporate and certified by him as being a true copy of the resolution shall on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.
- (c) A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll or by electronic means, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- (d) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

87. No Member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another Member at any General Meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the Shares of such Member.

88. Any objection as to the admission or rejection of a vote, either on a show of hands or on a poll made in due time, shall be referred to the Chairman who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive. 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.

## RHL

89. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
- 90.
- (a) If a Poll is demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman and in any other case in such manner and at such time, not being later than forty eight hours from the time when the demand was made, and at such place as the Chairman of the Meeting directs, and, subject as aforesaid, either at once or after the interval or adjournment or otherwise ; and the result of the Poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was demanded.
  - (b) Where a poll is to be taken the Chairman of the Meeting shall appoint such number of scrutineers as he deems necessary, to scrutinise the votes given on the poll and to report to him thereon.
  - (c) The Chairman shall have power at any time, before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or any other cause.
  - (d) On a poll a Member entitled to more than one vote, or his proxy or other persons entitled to vote for him or in the case of a body corporate by a representative duly authorised as aforesaid, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
  - (e) The demand of a poll shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which a poll has been demanded.
- 91.
- (a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.
  - (b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

### **PROXY**

92. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24

hours before the time appointed for taking of the poll ; and in default the instrument of the proxy shall not be treated as valid.

93. Every instrument appointing a proxy shall be retained by the Company and shall be in the forms specified in the Act.
94. A proxy who is appointed for a specified meeting only shall be called a Special Proxy. Any other proxy shall be called a General Proxy. A person appointed under a Power of Attorney giving authority to attend at and to vote, or authority only to vote at any meeting or meetings shall be deemed to be a proxy and such power of Attorney shall be deemed to be an instrument appointing a proxy. A person appointed as a proxy, who need not be a Member of the Company shall not be entitled to vote except on a poll, and as such proxy shall not have any power to speak at the meeting.
95. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or the insanity of the principal, or the revocation of the instrument, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer of the Shares shall have been received by the Company at the Office before the commencement of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used. A Member or proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the contrary at the time he casts any votes.

### **DIRECTORS**

96. Subject to the provisions of the Companies Act and unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than three and until otherwise determined by a General Meeting shall not be more than fifteen and shall comprise of such number of Independent Directors as may be required in accordance with the provisions of the Act for the time being in force.
97. The First Directors of the Company were :
  1. Sri L L Narayan
  2. Sri T G K Raman
  3. Sri S Venkataraman
  4. Sri S Viswanathan
  5. Sri C R Rao
  6. Sri S Rajaratnam
  7. Sri N Narasimha Reddy
  8. Sri K R Kamath
  9. Sri Jal N Mehta
  10. Sri A K Sivaramakrishnan
  11. Sri L Lakshman

98. Notwithstanding anything to the contrary contained in these Articles :

- (a) So long as any monies remain owing by the Company to public financial Institutions / Banks (hereinafter in this Article referred to as “the Corporation”) out of any loans/ Debenture assistance granted by them to the Company or so long as the Corporation continues to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remain outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole time, or non-whole time, (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.
- (b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (c) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures/Shares in the Company as a result of underwriting or direct subscription or private placement, or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the corporation ceasing to hold Debentures / Shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
- (d) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.



- (e) The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorships shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s.

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

- (f) In the event of the Nominee Director/s being appointed as whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

99.

- (a) Subject to the Act, the Directors shall have power at any time and from time to time to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional Director, which may include an Independent director, but so that the total number of Directors shall not at any time exceed the maximum number fixed, but any Director so appointed shall hold office only until the next following Annual General Meeting of the Company or the last date on which the annual General Meeting should have been held, whichever is earlier, and shall then be eligible for re-election.
- (b) No person not being a retiring Director, shall, be eligible for election to the office of Director at any General Meeting, unless he, or some other Member intending to propose him has not less than 14 days before the Meeting, left at the Office of the Company a Notice in writing duly signed signifying his candidature for the office or the intention of such Member to propose him in accordance with the provisions of the Act.
- (c) When any Director intends to be, or is absent for a period of not less than three months from India (hereinafter called “the absent Original Director”) the Directors may appoint any person not being a person holding any alternate

directorship for any other director in the Company and subject to such other conditions as may be prescribed by the Act, to be his alternate Director and such alternate Director during such absence shall be deemed to be a Director and be entitled to receive notice of and to attend and vote at meetings of the Directors and may exercise and perform all such powers, discretion and duties as the absent original Director for whom he has been appointed could but for his absence have exercised or performed and shall be subject to and entitled to the benefit of the provisions contained in these Articles with reference to Directors. The Directors may at any time remove an alternate Director appointed by them. Whenever an alternate Director shall be so removed or shall die or shall by notice in writing to the Company resign or otherwise vacate his appointment, the Directors may appoint another person as the absent original Director's alternate Director. An alternate Director shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India or on such Director dying or ceasing to be a Director and on such fact becoming known to the Company; provided that if the term of office of the original director is determined before he so returns to India, any provision for the automatic reappointment of retiring directors in default of another appointment shall apply to the original and not to the alternate director. An alternate Director shall not be deemed to be the agent of the Director for whom he has been appointed but shall be reckoned as one with such Director in computing the number of Directors with reference to Articles 96, 103, 112 (a) and (b), 118 and 125.

100. A Director shall not be required to hold any Shares in the Capital of the Company as his qualification.
101. As remuneration for their services each director shall be paid an amount not exceeding such sum as may be prescribed under the Act and as may be determined by the board of Directors from time to time for each meeting of the board or of any committee of the board attended by him. Where the remuneration consists of a monthly payment, it shall be deemed to accrue on a day-to-day basis. The Directors shall in addition, be paid such reasonable travelling, hotel and other expenses as they may incur in attending meetings of the board or of Committees of the board or of General Meeting or which they may otherwise incur in or about the business of the Company.
102. Subject to the provisions of the Act, if any Director, being willing, shall be called upon to perform extra services, or to make any special exertions for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a Committee of Directors, such Director may be remunerated by a fixed sum, or by a percentage of profits or otherwise as may be either determined by the Board and such remuneration may be either in addition to or

in substitution for his remuneration above provided, or his remuneration under his contract (if any) with the Company.

103. The continuing Directors may act notwithstanding any vacancy in their body, 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.
104. A Director shall cease to be a Director and his office of directorship shall become vacant on the happening of any of the events specified by the Act and other applicable law, including:
- (a) if he fails to pay calls made on him in respect of Shares held by him whether alone or jointly with others within six months have elapsed from the last date fixed for payment of the call;
  - (b) he is an undischarged solvent;
  - (c) if he has applied to be adjudicated an insolvent and his application is pending;
  - (d) on his being found to be of unsound mind by a Court of competent jurisdiction;
  - (e) on his being absent from all the meetings of the Board of Directors held during a period of twelve months with or without leave of absence from the Board of Directors. For the avoidance of doubt, it is clarified that if a director attends a meeting of the Board of Directors through video conferencing or other audio visual means in the manner prescribed by the Act, he will be considered present at such meetings;
  - (f) on his being convicted of any offence whether involving moral turpitude or otherwise by a Court and sentenced in respect thereof to imprisonment for not less than six months, and a period of five years has not elapsed from the date of expiry of the sentence, provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
  - (g) on his resigning his office by notice in writing to the Company;
  - (h) if he acts in contravention of the provisions of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
  - (i) if 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 the Act.
  - (j) if he has been convicted of the offence dealing with related party transactions under the relevant provisions of the Act at any time during the last preceding

five years;

- (k) if an order disqualifying him for appointment as a director has been passed by a Court or a Tribunal and the order is in force;
  - (l) if he has not obtained the Director Identification Number in accordance with the Act;
  - (m) if he acts in contravention of the provisions of the Act dealing with disclosure of interest by the directors;
  - (n) on his being removed in pursuance of the provisions of the Act; or
  - (o) if having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.
105. A Director of the Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or Member of such Company.
106. Subject to the provisions of the Act, the Directors shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with any Company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established, but the nature of their or his interest must be disclosed by them or him at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change and at the meeting of the Directors at which the contract or arrangement is determined on. Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid, and if he so votes, his vote shall not be counted, but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be reckoned for the purpose of ascertaining whether there be a quorum of Directors present. Subject to applicable law, this proviso shall not apply to any contract by or on behalf of the Company to give to the Directors or any of them an indemnity against any loss, which they or any of them may suffer by reason of becoming or being sureties for the Company.

107. A Register shall be kept in which shall be entered particulars of all contracts or arrangements to which Article 106 applies in the manner required by the Act. The Company shall provide extracts from such register to a Member of the Company on his request upon the payment of a fee of Rs. 10/- per page.
- 108.
- (a) Subject to the provisions of the Act and these Articles, not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement by rotation and be appointed by the Company in General Meeting in the manner hereinafter provided. For the purpose of this Article, “total number of directors” shall not include Independent Directors, whether appointed under the Act or any other law for the time being in force, on the Board of the Company.
  - (b) At the Annual General Meeting in every year, one-third of the Directors as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
  - (c) Subject to the provisions of the Act and these Articles, the Board shall have power to determine the directors whose period of office is or is not liable to retire by rotation.
109. 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 persons who became Directors on the same day those to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
110. The Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacancy by electing the retiring director or any other person thereto.
111. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-election and shall continue as a Director throughout the meeting at which he retires.
- 112.
- (a) If the place of the retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
  - (b) If, at the adjourned Meeting also, the place of the retiring Director is not filled up, the retiring Director shall be deemed to have been reappointed at the adjourned Meeting unless –

- (i) at the Meeting or at the previous Meeting a resolution for the reappointment 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 its Board of Directors, expressed his unwillingness to be so reappointed;
  - (iii) he is not qualified or is disqualified for appointment;
  - (iv) a resolution, whether special or ordinary, is required for the appointment or reappointment in virtue of any provisions of the Act; or
  - (v) the provisions of the Act relating to the appointment of directors to be voted on individually are applicable to the case.
113. Any casual vacancy occurring among the Directors may be filled by the Board at a Meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under these Articles.
114. The Company in General Meeting may, subject to the provisions of these Articles from time to time appoint new Directors and subject to the provisions of the Act, increase or reduce the number of its Directors within the limits fixed by these Articles and may alter their qualifications and may also determine in what rotation such increased or reduced number is to go out of office.
115. Subject to and in accordance with the provisions of the Act, the Company may remove any Director other than a Nominee Director before the expiration of his period of office.
- 116.
- (a) The Directors may from time to time appoint a person or persons from amongst themselves as Chairman and/or Vice-Chairman of the Company. Subject to the provisions of the Act and these Articles, the Chairman of the Company while he holds that office shall not be subject to retirement as a Director by rotation. The Vice-Chairman, however, shall be liable to retirement by rotation.
  - (b) The Chairman and/or Vice-Chairman of the Company shall be paid such remuneration, allowances and perquisites as the Board of Directors may from time to time determine, subject to the provisions of the Act.
  - (c) The Chairman or, in his absence, the Vice-Chairman shall preside over the meetings of the Board of Directors and all General Meetings of the Company including the Annual General Meetings. If there is no person appointed as

Chairman or Vice-Chairman, or if at any meeting either the Chairman or the Vice-Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose any one of their numbers to preside at the meeting.

\*116A.

- (a) The Board shall be entitled to appoint any of its present or former Chairman or director of the Company or any of its subsidiaries, who has rendered significant or distinguished services to the Company or the Rane Group or the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company, for such period as may be determined by the Board.
- (b) The Chairman Emeritus shall be entitled to attend meetings of the Board or any of its committees as an invitee, but shall not have a right to vote and shall not be deemed to be a party to any decision of the Board or its committees.
- (c) The Chairman Emeritus shall not be deemed to be a Director for any purposes of the Act or any other statute or Rules made thereunder or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.
- (d) Subject to applicable law, the Board may decide to make any payment in any manner and provide with such amenities and facilities for any services rendered by the Chairman Emeritus to the Company.

#### **MANAGING DIRECTORS / WHOLE TIME DIRECTORS**

- 117. Subject to the provisions of the Act, the Board may, from time to time appoint one or more of their body to be Managing Director / Whole Time Director or Managing Directors / Whole Time Directors of the Company for such period, at such remuneration and upon such terms as to the duties to be performed, the powers to be exercised and all other matters as they think fit but so that no Managing Director / Whole Time Director shall be invested with any powers or entrusted with any duties which the Directors themselves could not have exercised or performed. The remuneration of a Managing Director / Whole Time Director shall be subject to the relevant provisions of the Act and may be by way of salary or commission or participation in profits, or by any or all of those modes, and it may be made a term of his appointment that he be paid a pension or gratuity on retirement from his office. The Board may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss the Managing Director / Whole Time Director or Managing Directors / Whole Time Directors from office and appoint another or others in his place or places.
- 118. Subject to the provisions of the Act and these Articles, the office of a Managing Director / Whole Time Director shall be subject to retirement by rotation and he shall be reckoned as a Director for the purpose of determining the rotation of retirement of Director or in fixing the number of Directors to retire by rotation.

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\*Inserted vide special resolution at the Annual General Meeting held on August 06, 2021

119. A Managing Director / Whole Time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be a Managing Director / Whole Time Director, if he ceases to hold the office of Director from any cause.
120. The Board of Directors shall have power from time to time and at any time, to appoint any person as an “Executive Director” on such terms and conditions as to remuneration and otherwise as the Board may deem fit, and at their discretion to remove or suspend such person from the said office. Any person so appointed shall not be a Director of the Company for any of the purposes of the Act nor shall he have any of the powers of, or be subject to any of the duties of a Director, nor the right to attend any meetings of the Board.
121. The designation under which any person so appointed shall describe himself and shall sign documents and correspondence relating to the business of the Company, shall be “Executive Director” coupled with such other description as shall be determined by the Board and shall be subject to such restrictions as the Board may enforce from time to time. The use of the word “director” in the said designation shall not be construed as constituting such person a ‘Director’ of the Company for any of the purposes of the Act.
122. Subject as aforesaid, every person appointed as “Executive Director” shall exercise such powers and discharge such duties as the Board of Directors may from time to time determine.
123. The Board may appoint or re-appoint the same individual in the office of Chairperson, Chief Executive Officer or Managing Director / Whole Time Director, or such equivalent position in the Company, at the same time.

### **PROCEEDINGS OF DIRECTORS**

124. The meetings of the Board of Directors of the Company and its committees thereof shall be held, at such interval and in such manner, including by way of video conferencing, audio visual means or any other permitted means, as prescribed under the Act
125. The quorum for a Meeting of the Board shall be determined from time to time in accordance with the provisions of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a Meeting of the Board, then the meeting shall automatically stand adjourned to the same day in the following week at the same time and place or, if that day is a public holiday, next succeeding day which is not a public holiday, at the same time and place.

Provided that where at any time the number of interested Directors who cannot be reckoned for the purpose of ascertaining whether there be a quorum of directors present, exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, present at the Meeting being not less than two, shall be the quorum during such time.



126. A Director, may, at any time, and the manager or Secretary, shall upon the request of a Director made at any time, convene a Meeting of the Board.

Notice of every meeting of the Board of Directors shall be given in writing to every Director at his address registered with the Company.

127. Subject to the provisions of the Act, questions arising at any Meeting shall be decided by a majority of votes, and in case of equality of votes, the Chairman shall have a second or casting vote.
128. The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit, and may from time to time revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee in conformity with such regulations and in fulfilment of the purpose of their appointment but, not otherwise, shall have the like force and effect as if done by the Board.
129. The Meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the Meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the last preceding Article.
130. All acts done at any Meeting of the Directors, or of a Committee of Directors 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 person acting as aforesaid or that they or any of them were disqualified, or that the appointment of any of them had terminated under any provisions of the Act or of these Articles, be 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 or any person acting as a Director after his appointment has been shown to be invalid or to have terminated.

131. Subject to the provisions of the Act, a resolution shall be deemed to have been duly passed by the Directors or by a Committee of Directors, if it has been circulated in draft, together with necessary papers, if any, to all the Directors or to all the members of the Committee, as the case may be, at their address registered with the Company by hand delivery, by post or by courier, or through electronic means as may be prescribed under the Act and has been approved by a majority of the directors or members who are entitled to vote on the resolution.
132. The Directors shall cause minutes to be duly entered, in accordance with the relevant provisions of the Act, in books provided for the purpose.

## POWER OF THE BOARD

133. The Directors shall duly comply with the provisions of the Act.
- (a) The control of the Company shall be vested in the Directors and the business of the Company shall be managed by the Directors who, in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company as are not hereby or by the Act required to be exercised by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents and to any regulations not being inconsistent with these presents from time to time made by the Company in General Meeting: provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
  - (b) A meeting of the Directors, for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers, or discretions for the time being vested in or exercisable by the Directors generally and under the regulations of the Company.
  - (c) A resolution by circulation of the Board of Directors or by a Committee thereof shall be deemed to have been passed by the Board or by the Committee thereof if the resolution has been circulated in draft together with the necessary papers, if any to all the Directors or to all the members of the Committee and to all other Directors or members at their registered address with the Company by hand delivery, by post or by courier or through electronic means as may be permitted under the Act and has been approved by such of the Directors or by a majority of such of them as are entitled to vote on the resolution.
134. Without prejudice to the general powers conferred and other powers conferred by these presents but subject to the Act, it is hereby expressly declared that the Directors shall have the following powers, that is to say, power to carry out all or any of the Objects set forth in the Memorandum of Association and to do the following things:
- (1) To purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit, and subject to the provisions of the Act, to sell, let, exchange or otherwise dispose of absolutely or conditionally any part of the property, privileges and undertaking of the Company upon such terms and conditions, and for such consideration as they may think fit.
  - (2) At their discretion to pay for any property, rights, privileges acquired by or services rendered to the Company either wholly or partially in cash or in Shares (subject to the relevant provisions of the Act), bonds, Debentures or other securities of the Company (subject to these Articles), 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, 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.

- (3) To open any account, or accounts, with such Banks as they may select or appoint and to make, draw, endorse, sign, accept, negotiate and give all cheques, bills of lading, drafts, hundies orders, bills of exchange, Government of India and other promissory notes and other negotiable instruments and all other documents required for the business of the Company.
- (4) To secure the fulfilment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they may think fit.
- (5) To appoint any person or persons (whether incorporated or not) and at their discretion remove or suspend such agents, managers, secretaries, officers, clerks and servants for permanent, temporary or special services 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 in such instances and for such amounts as they think fit.
- (6) To accept from any Member, on such terms and conditions as shall be agreed, a surrender of his Shares or Stocks or any part thereof.
- (7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes, and to execute and do all such deeds, documents and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also, subject to the provisions of the Act, to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.
- (9) To refer any claims or demands by or against the Company to arbitration and observe and perform the awards.
- (10) To make and give receipts, releases and other discharges for money payable to Company and for the claims and demands of the Company.
- (11) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (12) To determine who shall be entitled to sign, draw, accept, endorse, or otherwise execute on the Company's behalf all cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, all receipts for monies paid to the Company, acceptances, endorsements, cheques, releases, contracts and documents.
- (13) From time to time to provide for the management of the affairs of the Company either in different parts of India or elsewhere in such manner as they

think fit, and in particular to establish branch officers and to appoint any person or persons to be attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.

- (14) Subject to the provisions of the Act, to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof, upon such securities (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realise such investments.
- (15) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, and provisions as shall be agreed upon.
- (16) Subject to the provisions of the Act, to give any person employed by the Company a commission on the profits of any particular business or transaction, or a share in the general profits of the Company, and such commission, or share of profits, shall be treated as part of the working expenses of the Company.
- (17) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.
- (18) 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 manner and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purpose of the Company.
- (19) To adopt such means of making known the products of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards, and donations and for that purpose or for other purposes acquire or run printing presses and publishing concerns.
- (20) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights of the Company.
- (21) To indemnify the Members of the Company against proceedings, losses, costs, damages, claims and demands under the Workmen's Compensation Act, in respect of any accident, or alleged accident, resulting or alleged to have resulted in injury, whether fatal or otherwise to any workman or other person

employed at or in connection with any business to which any Member of the Company is interested.

- (22) To contract for and grant any such indemnity on such terms and subject to such qualifications and conditions, as may seem expedient.
- (23) To take all such steps, and do all such things as may be expedient with a view to investigating the circumstances of any accident or alleged accident and all other facts, and to obtaining any information or evidence which may seem to have any bearing upon any claims or demands made, or to be made, in respect of such accident, or alleged accident, and to oppose, resist, compromise, or satisfy, wholly or in part, any such claims and demands.
- (24) To promote and encourage the adoption of precautionary measures of all kinds, which may seem to the Company calculated to prevent accidents, and to minimise the danger and mitigate the consequence thereof.
- (25) Subject to the provisions of the Act and to the extent permitted therein, to establish, maintain, support and subscribe to any national, charitable, benevolent, political, public, general or useful object or fund and any institution, school, hospital, society or club which may be for the benefit of the Company or for the benefit of persons who are or have been employed by the Company or its predecessors and the wives, widows, families and dependents of such persons or which may be connected with any town or place where the Company carries on business ; to give pensions, gratuities, allowances or charitable aid to any person or persons who have served the Company or its predecessors or to the wives, widows, children or dependents of such person or persons, that may appear to Directors just and proper, whether any such person, his wife, widow or children or dependents have or have not a legal claim upon the Company.
- (26) Subject to the provisions of the Act, before recommending any dividends, to set aside portions of the profits of the Company to form a Fund to provide for such pensions, gratuities or compensations; or to create any Provident or Benefit Fund in such or any other manner as the Directors may think fit.
- (27) To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees and the Company to any such fund and the accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof, and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.
- (28) Subject to the provisions of these Articles and of the Act, to delegate all or any of the powers hereby conferred upon them to any person or persons as they

may from time to time think fit

- (29) Subject to the provisions of the Act, to nominate the majority of the Board of Directors in companies in which the Company and its Affiliates collectively hold more than 50% of the equity share capital of such company.
- (30) Subject to the provisions of the Act, nominate such persons as it thinks fit to the board of directors of the subsidiary companies, Affiliates and other companies or entities directly or indirectly Controlled by the Company and observe all such other formalities as may be required under the Act for effecting the nomination.

135.

- (a) Subject to the provisions of the Act, the Directors shall not except with the consent of the Company in General Meeting by a special resolution:-
  - (i) sell, lease or otherwise dispose of the whole, or substantially the whole of any undertaking owned by the Company or,
  - (ii) remit, or give time for the re-payment of, any debt due by a director, or
  - (iii) invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; or
  - (iv) borrow money where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up Share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.
- (b) Nothing contained in paragraph (i) of sub-clause (a) hereof shall affect the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that clause, in good faith and after exercising due care and caution.
- (c) Any resolution passed by the Company permitting any transaction such as is referred to in paragraph (i) of sub-clause (a) hereof may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction; Provided that this sub-clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.

136.

- (a) Subject to compliance with the provisions of the Act, the following powers shall be exercised by the Directors only by resolutions passed at meetings of the Directors:
  - (i) the power to issue securities, including Debentures whether in or

- outside India;
- (ii) the power to make calls on Shareholders in respect of moneys unpaid on their Shares;
- (iii) to authorize buy-back of securities;
- (iv) the power to borrow moneys;
- (v) the power to invest the funds of the Company;
- (vi) the power to grant loans or give guarantee or provide security in respect of loans;
- (vii) to approve financial statement and the Board's report;
- (viii) to diversify the business of the Company;
- (ix) to approve amalgamation, merger or reconstruction; and
- (x) to take over a company or acquire a controlling or substantial stake in another company.

Provided that the Directors may, by resolution passed at a Directors' Meeting, delegate to any committee of Directors, the Managing Director (if any), or Manager (if any) of the Company, the powers referred to in paragraph (iv) to (vi) on such conditions as it may specify. For the avoidance of doubt it is clarified that a meeting by video conferencing or other audio visual means conducted in accordance with the Act shall, unless it pertains to matters specifically prohibited to be dealt with at a meeting through video conferencing or other audio visual means, be a valid meeting for the purposes of this Article.

- (b) Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in sub-clause (a) hereof.

#### **KEY MANAGERIAL PERSONNEL**

137. Subject to the provisions of the Act:

- (a) A Key Managerial Personnel may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief Key Managerial Personnel so appointed may be removed by means of a resolution of the Board;
- (b) A director may be appointed as Key Managerial Personnel.

#### **ANNUAL RETURNS**

138. The Company shall make the requisite Annual Returns in accordance with the provisions of the Act. The provisions of the Articles in relation to inspection of the Register, register of Debenture holders and security holders and taking copies thereof

shall apply mutatis mutandis to inspection of, and taking copies of, such annual returns.

### **LOCAL MANAGEMENT**

139. The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality whether at home or abroad, in such manner as they think fit. The provisions contained in the three next following Articles shall be without prejudice to the general powers conferred by this paragraph.
140. The Directors may from time to time and at any time, may establish any local boards or agencies for managing any of the affairs of the Company in any such specified locality, and may appoint any persons to be members of such local board, or managers or agents, and may fix their remuneration. And the Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than the power of making calls, and may authorise the Members for the time being of any such local board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies ; and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed and may annul or vary any such delegation.
141. The Directors may at any time, and from time to time, by power of attorney under the Company's seal, 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 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 the Members or any of the Members of any local board established as aforesaid, or in favour of any Company, or of the Members, Directors, nominees, or managers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Directors ; and such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney or attorneys as the Directors may think fit.
142. Any such delegates or attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

### **COMMON SEAL**

- 143.
- (1) The Board shall provide for the safe custody of the Seal and the Seal shall not be used except by the authority previously given of the Board or a Committee of the Board authorised by the Board in that behalf and save as provided in an



Article hereof any two Directors or one Director and the Secretary shall sign every instrument to which the Seal is affixed. Provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.

- (2) The Board may from time to time cancel the Common Seal and substitute a new Seal in lieu thereof.

### **AUTHENTICATION OF DOCUMENTS**

144. The following provisions shall have effect :

- (i) All deeds executed on behalf of the Company may be in such form and contain such powers, provisions, conditions, covenants, clauses, and agreements as the Directors shall think fit, and when not required to be sealed with the Seal of the Company, shall be signed by the Managing Director / Director or any other officials duly authorised by the Board from time to time.
- (ii) All cheques, drafts, hundis, Bills of Exchange, promissory notes, or other negotiable instruments shall be accepted, made, drawn or endorsed for and on behalf of the Company and all cheques or orders for payment shall be signed by the Managing Director / Director / Secretary / Authorised Person duly authorised by the Board from time to time.
- (iii) Cheques or other negotiable instruments paid to the Company's bankers for collection and requiring the endorsement of the Company may be endorsed on its behalf by the Managing Director / Director / Secretary / Authorised Person. All moneys belonging to the Company shall be paid to such bankers as the Directors shall from time to time in writing or by resolution of the Directors appoint; and all receipts for money paid to the Company shall be signed by the Managing Director / Director / Secretary / Authorised Person and such receipt shall be an effectual discharge for the money therein stated to be received.

### **RESERVE FUNDS**

145. The Directors may, from time to time, before recommending any dividend, set aside, out of the profits of the Company, such sums as they think proper as a reserve fund to meet contingencies, or for the liquidation of any Debentures, debts or other liabilities of the Company, for equalising dividends, or for repairing, improving and maintaining any of the properties of the Company, towards the depreciation of the assets and the investments of the Company or for rebuilding, restoring, replacing, or for altering any part of the building, work, plant, machinery or other property of the Company destroyed or damaged by fire, flood, storm, tempest, earthquake, accident, riot, wear and tear or any other means whatsoever and for repairing, altering and keeping in good condition the property of the Company, or for extending and enlarging the

buildings, machinery and property of the Company and for such other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company ; and may invest the several sums so set aside upon such investments as they may think fit, and from time to time deal with and vary such investments, and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserve fund into such special funds as they think fit, and employ the Reserve fund or any part thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.

### **DIVIDENDS**

146. Subject to the rights of Members entitled to Shares (if any) with preferential or special rights attached thereto, the profits of the Company, which it shall from time to time determine to divide in accordance with the Act in respect of any year or other period, shall be applied in the payment of a dividend on the Equity Shares of the Company but so that a partly paid up Share shall only entitle the holder with respect thereof to such a proportion of the distribution upon a fully paid-up Share as the amount paid thereon bears to the nominal amount of such Share and so that where capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not rank for dividends or confer a right to participate in profits, unless the terms of issue confer any special rights on any Shares.
147. The Company in General Meeting may declare a dividend to be paid to Members according to their rights and interest in the profits and may fix the time for payment.
148. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
149. No dividend shall be declared or paid except out of profits of the Company for the year or any other undistributed profits of earlier year or years after providing for depreciation in accordance with the provisions of the Act and no dividend shall carry interest as against the Company. Provided however that if at any time or times moneys are provided to the Company by the Central or State Government for the payment of a dividend in pursuance of any guarantee given by such Government, a dividend may be declared and paid out of such moneys.
150. The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.
151. Subject to the provisions of the Act, the Board may, from time to time, pay to the Members such interim dividends as appear to the Board to be justified, out of the profits of the Company.
152. The Board may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

153. Unless otherwise directed in accordance with the Act, any dividend, interest or other moneys payable in cash in respect of a Share may be paid by cheque or warrant sent through the post to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is the first named in the Register in respect of the joint holding or to such person and such address as the holder or joint holders, as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be liable for any cheque or warrant lost in transmission or for any dividend lost to any Member by the forged endorsement of any such cheque or warrant.
154. A transfer of Shares shall not pass the right to any dividend declared thereon before the registration of the transfer by the Company.
155. No dividend shall be paid except in cash by way of cheque or warrant or other recognised means of payment.
156. No dividend shall be paid in respect of Share except to the registered holder of such Share or to his order or to his bankers; but nothing contained in this Article shall be deemed to require the bankers of a registered Shareholder to make a separate application to the Company for the payment of the dividend. Nothing in this Article shall be deemed to affect in any manner the operation of Article 160.
157. Where a dividend has been declared by the Company but not has been paid or claimed within 30 days from the date of the declaration to any Shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Rane Holdings Limited - Unpaid Dividend Account".
158. Any one of several persons who are registered as the joint holders of any Share may give effectual receipts for all dividends, bonuses and other payments in respect of such Shares.
159. Notice of any dividend, whether interim or otherwise, shall be given to the persons entitled to share therein in the manner hereinafter provided.
160. The Directors may retain, in the Unpaid Dividend Account, the dividends payable upon Shares in respect of which any person is under the transmission clause entitled to become a Member, or which any person under that clause is entitled to transfer, until such person shall become a Member in respect of such Shares or shall duly transfer the same unless the registered holder of such Share authorises the Company in writing to pay such dividend to the transferee specified in the instrument of transfer.

**CAPITALISATION OF RESERVES AND PROFITS**

161.

- (a) The Company in General Meeting may, upon the recommendation of the Board, resolve
  - (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in clause (b) hereunder, amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (b) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provision contained in clause (c) hereunder, either in or towards:
  - (i) paying up any amounts for the time being unpaid on any Shares held by such Members respectively ;
  - (ii) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up to and amongst such Members in the proportions aforesaid ; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub- clause (ii) of this clause (2).
- (c) A securities premium account and a capital redemption reserve account may, for the purpose of this regulation, only be applied in paying up of unissued Shares to be issued to Members of the Company as fully paid Bonus Shares.

162. The Board shall give effect to the resolution passed by the Company in pursuance of Article 161.

163. Whenever such a resolution, as aforesaid, shall have been passed, the Board shall :

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

164. The Board shall have full power :
- (a) to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions and also ;
  - (b) to authorise any person to enter on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing Shares.
165. Any agreement made under such authority shall be effective and binding on all such Members.

### **ACCOUNTS**

166. The Company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement, for every financial year which give a true and fair view of the state of affairs of the Company, including that of its branch offices, if any, and explain the transactions effected both at the registered office, and its branches in accordance with the provisions of the Act.
167. The books of account and other relevant papers shall be kept at the registered office or at such other place as the Directors think fit in accordance with the Act, and shall be open to inspection by the Directors during business hours and in the case of financial information if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any director, in accordance with the Act.
168. The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts, registers and books of the Company or any of them shall be open to the inspection of the Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account, register or book or document of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.
169. At every Annual General Meeting of the Company the Directors shall lay before the Company the financial statements for the financial year in the manner provided in the Act.

170. The financial statements shall give a true and fair view of the state of affairs of the Company, shall comply with the requirements of the Act and subject thereto shall be in the form set out in the Act.
171. Every financial statement to be laid before the Company in a general meeting shall have attached thereto the Report of the Auditors including the report of the Directors if any thereon and a Report of the Board of Directors in accordance with the provision of the Act.
172. A copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before the Company in its general meeting, shall be sent to every Member of the Company, to every trustee for the Debenture-holders of any Debentures issued by the Company, and to all persons other than such Member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.
173. These requirements shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the Company may deem fit, is sent to every Member of the Company and to every trustee for the holders of any Debentures issued by the Company not less than twenty-one days before the date of the meeting unless the Shareholders ask for full financial statements.
174. The Company shall place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the Company.

### **AUDITORS**

175.
  - (a) The Company shall appoint an auditor or auditors in accordance with the provisions of the Act.
  - (b) Subject to sub-clause (a) above, at any Annual General Meeting a retiring auditor by whatsoever authority appointed, maybe re-appointed, unless:-
    - (i) he is not qualified for re-appointment; or
    - (ii) a special resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed ; or

- (iii) he has given the Company notice in writing of his unwillingness to be re-appointed.
- (c)
  - (i) The Directors may fill any casual vacancy in the office of an auditor within 30 days, but where such vacancy is caused by the resignation of an auditor, such appointment shall also be approved by the Company in a General Meeting convened within 3 months of the recommendation of the Board.
  - (ii) Any auditor appointed in a casual vacancy shall hold office until the conclusion of the next following Annual General Meeting.
- (d) Any auditor appointed under this Article may be removed from office before the expiry of his term only by the Company by a special resolution in a General Meeting after obtaining the previous approval of the Central Government in that behalf.
- (e) The remuneration of the auditors of the Company shall be fixed by the Company at the Annual General Meeting or in such manner as the Company in General Meeting may determine.

176.

- (a) Special notice shall be required for any resolution to be proposed at the Annual General Meeting of the Company appointing as auditor a person other than a retiring auditor or providing expressly that a retiring auditor shall not be re-appointed.
- (b) On receipt of notice of such a resolution, the Company shall forthwith send a copy thereof to the retiring auditor.
- (c) Where notice is given of such a resolution and the retiring auditor makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so or unless the Company shall be precluded from so doing by a competent Court,
  - (i) in any notice of the resolution given to Members of the Company state the fact of the representations having been made ; and
  - (ii) send a copy of the representations to every Member of the Company to whom notice of the meetings is sent (whether before or after the receipt of the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too

late or because of the Company's default, the auditor may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting;

- (d) Sub-clause (b) and (c) hereof shall apply to the removal of any auditor or auditors or any of them under the relevant provisions of the Act as they apply in relation to a resolution that a retiring auditor shall not be re-appointed.
177. The auditor for the time being 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 may think necessary for the performance of his duties as auditor.
178. All notices of and other communications relating to any General Meeting of the Company which any Member is entitled to have sent to him shall also be forwarded to the auditor of the Company; and the auditor shall be entitled to attend any General Meeting and to be heard, at any General Meeting which he attends on any part of the business which concerns him as auditor.
- 179.
- (a) The financial statements of the Company when audited and adopted by the Company at an Annual General Meeting shall be conclusive except as regards any error is discovered therein within three months next after the adoption thereof. Whenever any such error is discovered within that period the financial statement shall forthwith be corrected and thenceforth shall be conclusive.
  - (b) Notwithstanding sub-clause (a) above, if it appears to the directors of the Company that the financial statement of the Company or the report of the Board did not comply with the relevant provisions of the Act, the Board may, in accordance with the Act, prepare revised financial statement or a revised report in respect of any of three preceding financial years after obtaining the approval of the National Company Law Tribunal or such other authority prescribed under the Act for the time being in force.

#### **INTERNAL AUDIT**

180. Subject to the provisions of the Act, the Company shall appoint an internal auditor in accordance with the provisions of the Act to conduct an internal audit of the functions and activities of the Company.

#### **SERVICE OF DOCUMENTS ON MEMBERS BY COMPANY**

- 181.
- (a) A document may be served by the Company on any Member thereof either personally or by sending it in such manner, including by electronic or other



mode as may be prescribed under the Act. Provided that a Member may request for delivery of any document through a particular mode for which he shall pay such fees as may be determined by the Company in its annual general meeting.

- (b) Where a document is sent by post :
  - (i) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document, and
  - (ii) unless the contrary is proved, such service shall be deemed to have been effected :
    - A. in the case of a notice of a meeting at the expiration of forty eight hours after the letter containing the same is posted, and
    - B. in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (c) Where permitted by applicable law, a document advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every Member of the Company, who has not supplied to the Company an address for the giving of notices to him.
- (d) A document may be served by the Company on the joint holders of a Share by serving it on the joint holder named first, in the Register in respect of the Share.
- (e) A document may be served by the Company on the person entitled to a Share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to him by name or the titles of the representatives of the deceased or assignees of the insolvent, or by any like description at the address, if any 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, in any manner in which it might have been served if the death or insolvency had not occurred.

#### **KEEPING OF REGISTERS AND INSPECTION**

182. The Company shall keep and maintain all such registers and other documents as it is required to do under the Act. Provided that the Register may be maintained by the share transfer agent for such duration and in such manner as may be determined by the Board in accordance with applicable law. Such registers and other documents shall be open for inspection, and copies of such registers and documents shall be provided to persons eligible to receive such copies, in accordance with the provisions

of these Articles, the Act and other applicable law. In the event that no prescription under these Articles or any other applicable law has been made, the Board may prescribe (a) the manner and place in which such registers and documents are to be maintained, (b) the persons eligible to inspect and take copies of such registers and documents, (c) the time and procedure for carrying out the inspection and obtaining copies of such registers and documents and (d) any other matters incidental to such registers and documents.

#### **SECURITY CLAUSE**

183. Every Director, Key Managerial Personnel, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall before entering upon his duties, if called upon to do so, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals, and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of the duties, except when required so to do, by the Board of Directors or by any meeting, or by a Court of Law, or by the persons to whom such matters relate, and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

#### **WINDING UP**

- 184.
- (a) If the Company shall be would up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Companies 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 be carried out as between the Members or different classes of Members.
  - (c) The liquidator may, with the like sanction, vest the whole or part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no Member shall be compelled to accept any Shares or other securities wherein there is any liability.

#### **INDEMNITY**

185. Every officer of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceeding whether civil or

## RHL

criminal, in which judgment is given in his favour or in which he is acquitted, or in which relief is granted to him by the Court or the Tribunal.

\*185A The Company may take and maintain any insurance that the Board may think fit on behalf of its Directors (present and former), Key Managerial Personnel and officers of the Company, its subsidiaries and associates for indemnifying any or all of them against any liability for any acts in relation to the Company for which they may be liable.

Sl. No.	Names, Addresses, Description and Occupation of the subscribers	Signature Name, Address, Description and Occupation of the Witnesses
1.	K BHASHYAM, Advocate, Mylapore, Madras.	H D RAJAH, Journalist, 3, Kondi Chetty Street, Madras
2.	T R GANAPATHY IYER, Merchant, Gopalapuram, Madras.	
3.	K C MAMMAN MAPPILLAI, Land-lord Alleppy	
4.	M SANKARA IYER, Merchant, Broadway	
5.	C R SRINIVASAN, Journalist (Editor, Swadeshamitran), Reserve Bank Director, Madras	V VENKATARAMAN, Advocate, 3, Kondi Chetty Street, George Town, Madras
6.	M C T M CHIDAMBARAM CHETTY Banker, Adyar, Madras.	
7.	V R SUBRAMANIA IYER, Merchant, Linga Chetty Street, Madras.	

Dated the third day of March 1936

Place: Madras

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\*Inserted vide special resolution at the Annual General Meeting held on August 06, 2021.

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## RANE HOLDINGS LIMITED

### Amendments:

1. *Special resolution passed at the Annual General Meeting of the Company held on August 12, 2015 for replacement with new set of regulations.*
2. *Special resolution passed at the Annual General Meeting of the Company held on August 06, 2021 for insertion of new articles: 116A for Chairman Emeritus and 185A for Indemnity.*