



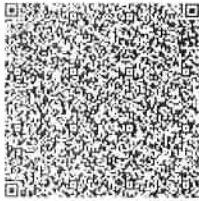
सत्यमेव जयते

## INDIA NON JUDICIAL

### Government of National Capital Territory of Delhi

#### e-Stamp

Certificate No. : IN-DL27068092773702W  
Certificate Issued Date : 12-Jan-2024 04:14 PM  
Account Reference : IMPACC (IV)/ dl1005503/ DELHI/ DL-DLH  
Unique Doc. Reference : SUBIN-DL100550316927301240589W  
Purchased by : BHARTI AIRTEL LIMITED  
Description of Document : Article 5 General Agreement  
Property Description : Not Applicable  
Consideration Price (Rs.) : 0  
(Zero)  
First Party : BHARTI AIRTEL LIMITED  
Second Party : TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED  
Stamp Duty Paid By : BHARTI AIRTEL LIMITED  
Stamp Duty Amount(Rs.) : 500  
(Five Hundred only)



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This stamp paper forms an integral part of the Amendment Agreement dated January 19, 2024 to the Shareholders' Agreement dated August 30, 2004 and Addendum dated October 7, 2004 amongst Telecommunications Consultants India Limited and Bharti Airtel Limited



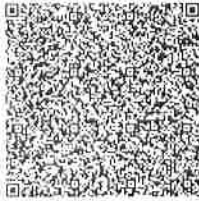
सत्यमेव जयते

## INDIA NON JUDICIAL

### Government of National Capital Territory of Delhi

#### e-Stamp

Certificate No. : IN-DL27067116608301W  
Certificate Issued Date : 12-Jan-2024 04:13 PM  
Account Reference : IMPACC (IV)/ dl1005503/ DELHI/ DL-DLH  
Unique Doc. Reference : SUBIN-DL100550316932213249118W  
Purchased by : BHARTI AIRTEL LIMITED  
Description of Document : Article 5 General Agreement  
Property Description : Not Applicable  
Consideration Price (Rs.) : 0  
(Zero)  
First Party : BHARTI AIRTEL LIMITED  
Second Party : TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED  
Stamp Duty Paid By : BHARTI AIRTEL LIMITED  
Stamp Duty Amount(Rs.) : 200  
(Two Hundred only)



Please write or type below this line

This stamp paper forms an integral part of the Amendment Agreement dated January 19, 2024 to the Shareholders' Agreement dated August 30, 2004 and Addendum dated October 7, 2004 amongst Telecommunications Consultants India Limited and Bharti Airtel Limited

**AMENDMENT AGREEMENT DATED JANUARY 19, 2024**

**TO**

**THE SHAREHOLDERS' AGREEMENT DATED AUGUST 30, 2004 AND ADDENDUM  
DATED OCTOBER 7, 2004**

**AMONGST**

**TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED**

**AND**

**BHARTI AIRTEL LIMITED**

## AMENDMENT AGREEMENT

This **AMENDMENT AGREEMENT** (hereinafter the “**Amendment Agreement**”) is executed at New Delhi, India on this 19<sup>th</sup> day of January, 2024 (hereinafter the “**Execution Date**”), by and amongst:

- A. **TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED**, a company incorporated under the laws of India and having its registered office at TCIL Bhawan, Greater Kailash- I, New Delhi 110 048, India (hereinafter referred to as “**TCIL**”, which expression shall, unless it be repugnant to the context or meaning hereof, be deemed to mean and include its authorized representatives, successors and permitted assigns);

AND

- B. **BHARTI AIRTEL LIMITED**, a company incorporated under the laws of India and having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram -122 015, Haryana, India (hereinafter referred to as “**Airtel**”, which expression shall, unless it be repugnant to the context or meaning hereof, be deemed to mean and include its authorized representatives, successors and permitted assigns).

Each of TCIL and Airtel are hereinafter collectively referred to as the “**Shareholders**” or “**Parties**”, and each as a “**Shareholder**” or “**Party**”.

### WHEREAS:

- A. The Parties have entered into a shareholders’ agreement, dated August 30, 2004, as amended by an addendum dated October 7, 2004 (hereinafter collectively, the “**Shareholders’ Agreement**”) to set out their *inter-se* rights and obligations in relation to Bharti Hexacom Limited (“**Hexacom**” or the “**Company**”), as shareholders of the Company.
- B. The Company and TCIL propose to undertake an initial public offering of equity shares of the Company bearing face value of ₹5 each (“**Equity Shares**”), comprising an offer for sale by TCIL (the “**Offer for Sale**” or the “**Offer**”), in accordance with the Companies Act, 2013, as amended (the “**Companies Act**”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other Applicable Law.
- C. In this regard, the Parties have now agreed to (i) amend certain terms of the Shareholders’ Agreement in terms of the provisions mentioned hereunder; (ii) waive certain rights and consent to certain matters under the Shareholders’ Agreement from the Execution Date until the date of listing of the Equity Shares on BSE Limited and National Stock Exchange of India Limited (together, the “**Stock Exchanges**”) pursuant to the proposed Offer (the “**Listing Date**”); and (iii) terminate the Shareholders’ Agreement, in the manner set out in this Amendment Agreement, on and from the Listing Date.

**NOW THEREFORE**, in consideration of the foregoing, and the premises, mutual covenants, promises, agreements and provisions set forth hereinafter, the Parties hereby agree as follows:

### 1. DEFINITIONS AND INTERPRETATION

- 1.1. Definitions. Unless otherwise defined herein, each capitalized term herein shall have the meaning ascribed to it in the Shareholders’ Agreement.

- 1.2. Interpretation. The rules of interpretation applicable to the Shareholders' Agreement, as set out in Clause 1.2 (*Interpretation*) of the Shareholders' Agreement, shall apply *mutatis mutandis* to this Amendment Agreement.

## 2. CONSENTS AND WAIVERS

- 2.1. From the Execution Date until the expiry of the Term (*as defined hereafter*), each Party (to the extent that such Party is entitled to rights under the relevant Clause) agrees to waive its rights under the following provisions of the Shareholders' Agreement and the corresponding provisions of the Articles of Association:
- (i) Clause 8.1 (*General Restriction*) to the extent of any Equity Shares which are offered for sale in the proposed Offer by TCIL.
  - (ii) Clause 8.2 (*Permitted Transferees*) to the extent of any Equity Shares which are offered for sale in the proposed Offer by TCIL.
  - (iii) Clause 8.3 (*Right of First Refusal*) to the extent of any Equity Shares which are offered for sale in the proposed Offer by TCIL.
  - (iv) Clause 6.1 (*Composition of Board*) of the Shareholders' Agreement, to the extent that the number of directors is required to be amended to ensure compliance with the corporate governance provisions under the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.2. The Parties hereby agree to provide their consent to the following item under Clause 5.2 (*Special Matters*) for amendment or alteration of the Company's Memorandum of Association and Articles of Association in the proposed Offer, a copy of the amended Articles of Association annexed herewith as **Schedule 1** of this Amendment Agreement, to the extent that the provisions of such special matters are required to facilitate the proposed Offer by the Company.
- 2.3. TCIL and Airtel agree to exercise their rights under Clause 5.3 (*Consultation Matters*) and such other provisions of the Shareholders' Agreement in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("**SEBI Insider Trading Regulations**"), and notwithstanding anything to the contrary in the Shareholders' Agreement, the Company shall not be obligated to provide to any Party information which the Company is prohibited from sharing under the SEBI Insider Trading Regulations and other Applicable Law.
- 2.4. Notwithstanding any of the confidentiality obligations imposed on each Party under Clause 10 (*Confidentiality*) of the Shareholders' Agreement, each Party hereby grants its consent to file a copy of the Shareholders' Agreement and this Amendment Agreement, as required to the copy of the RHP which will be filed with the Registrar of Companies in relation to the Offer and to include copies of the Shareholders' Agreement and this Amendment Agreement as material contracts for inspection, in each case, to the extent required under Applicable Law.
- 2.5. Any consent or waiver granted under this Amendment Agreement in respect of the relevant provisions of the Shareholders' Agreement shall also be deemed to be a consent or waiver under the corresponding provisions of the Articles of Association.

## 3. AMENDMENTS

- 3.1. The description of Airtel in the recitals shall stand deleted in its entirety and shall be replaced with the following, and references to “BTVL” in the Shareholders’ Agreement shall be substituted with “Airtel”:

*“BHARTI AIRTEL LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram -122 015, Haryana, India (hereinafter referred to as ‘Airtel’ which expression shall, unless repugnant to the context or meaning, shall be deemed to include its successors, affiliates, subsidiary, representatives and permitted assigns;”*

- 3.2. Clause 1.1 (*Definitions*) of the Shareholders’ Agreement shall stand amended as follows:

- 3.2.1. The definition of “Act” or “Companies Act” in Clause 1.1 of the Shareholders’ Agreement shall stand deleted in its entirety and shall be replaced by the following:

*““Act” or “Companies Act” shall mean the Companies Act, 2013, of India.”*

- 3.2.2. The following definition shall be added in Clause 1.1 of the Shareholders’ Agreement:

*“Consummation of the IPO” shall mean the receipt of final listing and trading approval from each of the Stock Exchanges for the listing and trading of the Shares of Hexacom pursuant to the IPO.”*

*“IPO” shall mean an initial public offering of the Shares of Hexacom comprising a primary issuance and / or a secondary sale in accordance with the Applicable Law.”*

- 3.3. The following clause shall be added in Clause 15.3 (*Costs and Expenses*) of the Shareholders’ Agreement:

*“For the sake of clarity, the costs and expenses associated with the IPO of Hexacom, if any, shall be borne in accordance with the Offer Agreement to be executed in relation to such IPO.”*

- 3.4. The following clause shall be added in Clause 13.1 (*Termination*) of the Shareholders’ Agreement:

*“(vi) the Consummation of the IPO, upon which this Agreement shall stand automatically terminated, without any further act or deed required on the part of any Party.”*

- 3.5. Clause 15.1 (*Notices*) of the Shareholders’ Agreement shall stand deleted in its entirety and shall be replaced with the following:

*“Notices. All notices issued under this Agreement shall be in writing (which shall include e-mail) and shall be deemed validly delivered if sent by registered post or recorded delivery to or left at the addresses as specified below or sent to the e-mail address of the Parties respectively or such other addresses as each Party may notify in writing to the other. Further, any notice sent to any Party shall also be marked to all the remaining Parties:*

*15.1.1: If to TCIL*

*Telecommunications Consultants India Limited  
TCIL Bhawan  
Greater Kailash-1*

New Delhi 110 048  
Delhi, India  
Tel: +91-11-26202126  
E-mail: [vishal.kohli@tcil.net.in](mailto:vishal.kohli@tcil.net.in)  
Attention: Company Secretary

15.1.2: If to Airtel

***Bharti Airtel Limited***

*Bharti Crescent, 1, Nelson Mandela Road  
Vasant Kunj, Phase - II  
New Delhi 110 070  
Delhi, India  
Tel: 011-46666100  
E-mail: [Compliance.officer@bharti.in](mailto:Compliance.officer@bharti.in)  
Attention: Rohit Krishan Puri, Dy Company Secretary and Compliance Officer*

#### **4. AMENDMENT OF THE ARTICLES OF ASSOCIATION**

Prior to the filing of the draft red herring prospectus with the Securities and Exchange Board of India (“**SEBI**”), the Parties shall cause the Articles of Association of the Company to be amended, such that the Articles of Association be presented in 2 (two) parts, identified as Part A and Part B, of which Part A, which shall continue to be in effect after the filing of the Red Herring Prospectus with the Registrar of Companies, Delhi and Haryana at New Delhi (“**RoC**”), or as directed by SEBI, and shall conform to requirements and directions provided by the Stock Exchanges, and Part B, which shall contain the extant Articles of Association and which shall automatically terminate and cease to have any force and effect from the date of filing of the Red Herring Prospectus with the RoC, or as directed by SEBI, without any further corporate or other action by the Company or the Parties. The proposed form of the Articles of Association as amended in accordance with this Clause 4 is attached hereto as **Schedule 1**.

#### **5. TERM AND TERMINATION**

- 5.1. This Amendment Agreement shall become effective and binding on the Parties on and from the Execution Date and shall continue in full force and effect until the earlier of any of the following events (“**Term**”) (such date, the “**Termination Date**”):
  - 5.1.1. this Amendment Agreement being terminated by the mutual written agreement of all Parties; or
  - 5.1.2. the date on which the Company and the Selling Shareholder, jointly, decide not to undertake the proposed Offer.
- 5.2. This Amendment Agreement shall, unless otherwise agreed to by the Parties in writing, stand automatically terminated on the Termination Date without any further action by any Party.
- 5.3. In case of termination of this Amendment Agreement in accordance with Clause 5.1 read with Clause 5.2, all amendments to the Shareholders’ Agreement and the Articles of Association, under or pursuant to this Amendment Agreement, and any other action taken pursuant to this Amendment Agreement and all waivers granted hereunder, shall automatically cease to have effect.
- 5.4. In case of termination of this Amendment Agreement in accordance with Clause 5.1 read with Clause 5.2, (i) the Shareholders Agreement (as existing prior to the execution of this

Amendment Agreement) shall be immediately and automatically stand reinstated, with full force and effect on the Termination Date, without any further action by any Party; and (ii) the Shareholders Agreement shall be deemed to have been in force during the period between the Execution Date and the date of termination of this Amendment Agreement, without any break or interruption whatsoever and the Shareholders' Agreement (without any reference to this Amendment Agreement) shall be the sole document governing the rights and obligations of the parties under the Shareholders' Agreement.

- 5.5. The termination of this Amendment Agreement shall be without prejudice to the accrued rights and obligation of the Parties hereunder prior to such termination.
- 5.6. The Parties agree to take all necessary steps and perform all necessary actions as may be necessary to effectively reinstate all the rights and obligations of the Parties vis-à-vis each other as set out in the Shareholders' Agreement, as of the date immediately prior to this Amendment Agreement, including by effecting requisite amendments to the Articles of Association.
- 5.7. This Amendment Agreement shall be co-terminus with the Shareholders' Agreement. The Shareholders' Agreement and any amendments thereto, including this Amendment Agreement, will be terminated upon the Consummation of the IPO.

## **6. EFFECT OF THIS AMENDMENT AGREEMENT**

- 6.1. This Amendment Agreement, together with the Shareholders' Agreement, constitutes the entire agreement between the Parties with respect to the subject matter thereof. In the event of any ambiguity or discrepancy between the provisions of this Amendment Agreement and the Shareholders' Agreement, the provisions of this Amendment Agreement shall prevail.
- 6.2. This Amendment Agreement shall form an integral part of the Shareholders' Agreement, and on and from the Execution Date, any reference to Shareholders' Agreement shall be construed to mean the Shareholders' Agreement, as amended by this Amendment Agreement.
- 6.3. Except to the extent specifically set out in this Amendment Agreement, all other terms of the Shareholders' Agreement shall remain unaltered and shall continue in full force and effect. Nothing herein shall affect or alter, in any manner whatsoever, the provisions of the Shareholders' Agreement, except as expressly amended by this Amendment Agreement.

## **7. REPRESENTATION AND WARRANTIES OF THE PARTIES**

- 7.1. Each Party represents and warrants to the other as follows:
  - (i) it is a legal entity duly organized, validly existing and in good standing under the laws of country with power and capacity to enter into this Amendment Agreement and to perform the same in accordance with its terms;
  - (ii) the execution, delivery and performance of this Amendment Agreement and the transactions contemplated thereby have been duly authorized by all necessary corporate actions, and upon its execution and delivery, this Amendment Agreement shall constitute a valid and binding obligation and shall be enforceable against it in accordance with its terms subject to any applicable insolvency or bankruptcy laws; and
  - (iii) neither the execution and delivery of this Amendment Agreement nor the consummation of the transactions contemplated hereby shall violate, result in the breach of any material terms or provision of, or constitute a default under its statutes or regulations or any material agreement, indenture, instrument or order, law or regulation to which it is a party or by which



it is bound.

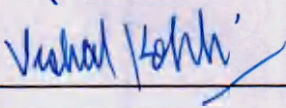
## **8. GENERAL PROVISIONS**

- 8.1. No changes or additions to, or modifications of, this Amendment Agreement shall be valid unless made in writing and signed by all the Parties hereto.
- 8.2. Any term or provision of this Amendment Agreement that is invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Amendment Agreement.
- 8.3. The Parties hereby agree that the provisions of Clauses 1 (*Definitions, Interpretation and Effective Date*), 10 (*Confidentiality*) and 14 (*Governing Law and Disputes*) of the Shareholders' Agreement shall apply *mutatis mutandis* to this Amendment Agreement and are incorporated herein by reference.
- 8.4. This Amendment Agreement shall be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which will constitute one and the same instrument. The delivery of signed counterparts by electronic mail in "portable document format (.pdf)" shall be as effective as signing and delivering the counterparts in person.

**IN WITNESS WHEREOF** the Parties hereto have executed this Amendment Agreement on the day and year first above written.

Signed and delivered for and on behalf of:

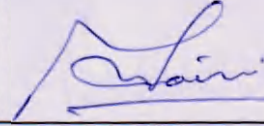
**TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED**



\_\_\_\_\_  
Authorised Signatory

Name: Vishal Kohli

Designation: Company Secretary



\_\_\_\_\_  
Authorised Signatory

Name: Manish Maini

Designation: ED (F&A)

**IN WITNESS WHEREOF** the Parties hereto have executed this Amendment Agreement on the day and year first above written.

Signed and delivered for and on behalf of:

**BHARTI AIRTEL LIMITED**



Name: ANKAJ TEWARI  
Designation: COMPANY SECRETARY



**SCHEDULE 1**

**AGREED FORM OF ARTICLES OF ASSOCIATION**

**(THE COMPANIES ACT, 2013)**  
**(COMPANY LIMITED BY SHARES)**  
**RESTATED ARTICLES OF ASSOCIATION**  
**OF**  
**BHARTI HEXACOM LIMITED**

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of the Bharti Hexacom Limited (the “Company”) held on January 19, 2024. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

PRELIMINARY

**TABLE ‘F’ EXCLUDED**

**The regulations contained in the Table marked ‘F’ in Schedule I to the Companies Act, 2013, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.**

1. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in these Articles.
2. The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable; however, Part B shall automatically terminate and cease to have any force and effect from the date of filing of the Red Herring Prospectus with the Registrar of Companies, Delhi and Haryana (“**RoC**”) or as directed by the Securities and Exchange Board of India, pursuant to an initial public offering of the Equity Shares of the Company, and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action by the Company or its shareholders.

**PART A**

**DEFINITIONS AND INTERPRETATION**

3. In these Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:

“**Act**” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

“**Annual General Meeting**” means the annual general meeting of the Company convened and held in accordance with the Act.

“**Articles of Association**” or “**Articles**” mean these Articles of association of the Company, as maybe altered from time to time in accordance with the Act.

“**Board**” or “**Board of Directors**” means the board of directors of the Company in office at applicable

times.

“**Company**” means Bharti Hexacom Limited, a company incorporated under the laws of India.

“**Depository**” means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

“**Director**” shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

“**Equity Shares or Shares**” shall mean the issued, subscribed and fully paid-up equity shares of the Company;

“**Exchange**” shall mean BSE Limited and the National Stock Exchange of India Limited.

“**Extraordinary General Meeting**” means an extraordinary general meeting of the Company convened and held in accordance with the Act;

“**General Meeting**” means any duly convened meeting of the shareholders of the Company and any adjournments thereof;

“**Member**” means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

“**Memorandum**” or “**Memorandum of Association**” means the memorandum of association of the Company, as may be altered from time to time;

“**Office**” means the registered office, for the time being, of the Company;

“**Officer**” shall have the meaning assigned thereto by the Act;

“**Ordinary Resolution**” shall have the meaning assigned thereto by the Act;

“**Register of Members**” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;

“**Special Resolution**” shall have the meaning assigned thereto by the Act; and

“**Fiscal Year**” means the period from the first day of April to 31<sup>st</sup> day of March of the succeeding year;

**4.** Except where the context requires otherwise, these Articles will be interpreted as follows:

- (a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles.
- (b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;
- (c) words importing the singular shall include the plural and vice versa;

- (d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;
- (e) the expressions “hereof”, “herein” and similar expressions shall be construed as reference to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;
- (f) the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, **include** and **including** will be read without limitation;
- (g) any reference to a **person** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person’s executors, administrators, heirs, legal representatives and permitted successors and assigns;
- (h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;
- (i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.
- (j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
  - (i) that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and
  - (ii) any subordinate legislation or regulation made under the relevant statute or statutory provision;
- (k) references to writing include any mode of reproducing words in a legible and non-transitory form; and
- (l) references to **Rupees, Rs., Re., INR, ₹** are references to the lawful currency of India.

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

### **5. AUTHORISED SHARE CAPITAL**

The authorized share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force.

### **6. NEW CAPITAL PART OF THE EXISTING CAPITAL**

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to

the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

## **7. KINDS OF SHARE CAPITAL**

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

- (a) Equity share capital:
  - (i) with voting rights; and/or
  - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Act; and
- (b) Preference share capital.

## **8. SHARES AT THE DISPOSAL OF THE DIRECTORS**

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company's members in General Meeting give to any person or persons the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

## **9. ISSUE OF SHARES AS CONSIDERATION**

The Board of Directors may issue and allot shares of the Company as payment in full or in part, for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares.

## **10. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE**

Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

- (a) increase the share capital by such sum, to be divided into shares of such amount as may be specified in the resolution;
- (b) divide, sub-divide or consolidate all or any of its share capital into shares of larger amount than its existing shares and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;



- (c) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- (d) cancel shares which at the date of such General Meeting 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;
- (e) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and
- (f) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

## **11. FURTHER ISSUE OF SHARES**

1. Where any increase of subscribed capital through further issue of shares is contemplated by the Board then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:
  - A. (i) Such further shares shall be offered to the persons who, at the date of offer, are holders of equity shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions;
    - a. The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than seven days (or such lesser number of days as may be prescribed under the Act or the rules made thereunder, or other applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.
 

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days, or such other time prescribed under applicable law, before the opening of the issue;
    - b. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (A)(i)(a)) shall contain a statement of this right;
    - c. After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company; or
  - B. employees under any scheme of employees' stock option subject to Special Resolution passed by the shareholders of the Company and subject such other conditions, as may be prescribed under applicable law; or
  - C. to any persons, if authorized by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, subject to compliance with applicable law.
- (i) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused

by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

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

- (ii) Notwithstanding anything contained in sub section (ii), where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

- (iii) In determining the terms and conditions of conversion under sub-section (iv), the Government shall have due regard to the financial position of the company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (iv) Where the Government has, by an order made under sub-section (iii), directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the National Company Law Tribunal under sub-section (iv) or where such appeal has been dismissed, the memorandum of such company shall, stand altered and the authorized share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

## **12. TERM OF ISSUE OF DEBENTURE:**

Subject to the applicable provisions of the Act and other applicable law, any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a General Meeting, appointment of Directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a General Meeting by Special Resolution.

If it is provided by the trust deed securing or otherwise in connection with an issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in case of any and every such issue of debentures, the person having such power may exercise such power from time to time and appoint a director accordingly.

## **13. RIGHT TO CONVERT LOANS INTO CAPITAL**

Notwithstanding anything contained in sub-clauses(s) of Article 12 above, but subject, however, to the provisions of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.

## **14. VARIATION OF SHAREHOLDERS' RIGHTS**

- (a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of Section 48 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class, as prescribed by the Act.
- (b) Subject to the provisions of the Act, to every such separate meeting, the provisions of these Articles relating to meeting shall *mutatis mutandis* apply.

## **15. PREFERENCE SHARES**

### **(a) Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

### **(b) Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

## **16. AMALGAMATION**

Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate subject to the provisions of the Act.

## **SHARE CERTIFICATES**

## **17. ISSUE OF CERTIFICATE**

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

## **18. RULES TO ISSUE SHARE CERTIFICATES**

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the said Act.

## **19. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACTED, LOST OR DESTROYED**

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees for each certificate as may be fixed by the Board, the maximum permissible amount prescribed under applicable law, and as may be amended from time to time. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

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

The provisions of this articles shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

The Company will issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement or such other time as may be prescribed under Regulation 39(2) of Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **LIEN**

## **20. COMPANY'S LIEN ON SHARES / DEBENTURES**

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (other than a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that shares or debentures and no equitable interest in any share shall be created upon the footing and condition that this Article will have full effect, and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares or debentures. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures. The Directors may at any time declare any shares or debentures wholly or in part to be exempt from the provisions of this clause.

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

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

## **21. LIEN TO EXTEND TO DIVIDENDS, ETC.**

The Company's lien, if any, on a share or debenture shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

**22. ENFORCING LIEN BY SALE**

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

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

**23. VALIDITY OF SALE**

To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

**24. VALIDITY OF COMPANY'S RECEIPT**

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

**25. APPLICATION OF SALE PROCEEDS**

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

**26. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

**27. PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

## **CALLS ON SHARES**

### **28. BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES**

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that "the amount payable on application on every security shall not be less than five per cent of the nominal amount of the security or such other percentage, as prescribed by SEBI". The payment period for payment of balance money in Calls shall be kept open for fifteen days from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The option or right to call on shares shall not be given to any person except with the sanction of the company in general meeting.

### **29. NOTICE FOR CALL**

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times, place and mode of payment, pay to the Company, at the time or times, place and mode so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

### **30. CALL WHEN MADE**

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

### **31. LIABILITY OF JOINT HOLDERS FOR A CALL**

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

### **32. CALLS TO CARRY INTEREST**

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

### **33. DUES DEEMED TO BE CALLS**

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

**34. EFFECT OF NON-PAYMENT OF SUMS**

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

**35. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

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

The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.

**36. PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES,ETC.**

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

**FORFEITURE OF SHARES**

**37. BOARD TO HAVE A RIGHT TO FORFEIT SHARES**

If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

**38. NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

**39. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

**40. FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY**

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

**41. ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid

**42. MEMBER TO BE LIABLE EVEN AFTER FORFEITURE**

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

**43. EFFECT OF FORFEITURE**

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

**44. CERTIFICATE OF FORFEITURE**

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

**45. TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title



to the share be affected by any irregularity or invalidity in the proceedings in referenceto the forfeiture, sale, re-allotment or disposal of the share.

**46. VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

**47. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

**48. BOARD ENTITLED TO CANCEL FORFEITURE**

The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

**49. SURRENDER OF SHARE CERTIFICATES**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

**50. SUMS DEEMED TO BE CALLS**

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

**51. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company

**TRANSFER AND TRANSMISSION OF SHARES**

**52. REGISTER OF TRANSFERS**

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

**53. ENDORSEMENT OF TRANSFER**

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to

authenticate such endorsement on behalf of the Company or direct the issue of a freshshare certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

The Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the board of directors and/or the delegated authority shall attend to the formalities pertaining to transfer of securities at least once in a fortnight:

Provided that the delegated authority shall report on transfer of securities to the Board in each meeting.

Provided further that, in accordance with Regulation 40 of, Listing Obligations and Disclosure Requirements Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository

#### **54. INSTRUMENT OF TRANSFER**

- (a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply. The Company shall also use a common form of transfer form.
- (b) Subject to the restriction on transferability of shares contained elsewhere in these Articles, the Board may decline to recognize any instrument of transfer unless-
  - (i) the instrument of transfer is in writing and in the form as prescribed in rules made under sub-Section (1) of Section 56 and statutory modification thereof shall have been duly complied with in respect of all transfer of shares and registration thereof;
  - (ii) the instrument of transfer is accompanied by such evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (iii) the instrument of transfer is in respect of only one class of shares.
- (c) Until the name of the transferee is entered in the register of members or the register and index of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996, the transferor shall be deemed to be the holder of the shares concerned.
- (d) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

#### **55. EXECUTION OF TRANSFER INSTRUMENT**

Every such instrument of transfer shall be executed, both by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

#### **56. CLOSING REGISTER OF TRANSFERS AND OF MEMBERS**

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the transfer books,

Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

**57. DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

Subject to the provisions of the these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion and by giving reasons) decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a member of the Company, but in such cases the Directors shall within a period of thirty days from the date on which the instrument of transfer was lodged with the Company send to the transferee and transferor notice of the refusal to register such transfer. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares.

**58. TRANSFER OF PARTLY PAID SHARES**

Where in the case of partly paid shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

**59. TITLE TO SHARES OF DECEASED MEMBERS**

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

**60. TRANSFERS NOT PERMITTED**

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

**61. TRANSMISSION OF SHARES**

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall

not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

**62. RIGHTS ON TRANSMISSION**

A person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, 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 a 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(90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

**63. SHARE CERTIFICATES TO BE SURRENDERED**

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

**64. COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS**

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

**65. TRANSFER AND TRANSMISSION OF DEBENTURES**

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

**SHARE WARRANTS AND ALTERATION OF CAPITAL**

**66. RIGHTS TO ISSUE SHARE WARRANTS**

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

**67. BOARD TO MAKE RULES**

The Board may, from time to time, make rules as to the terms on which it shall think fit, a newshare warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

#### **68. SHARES MAY BE CONVERTED INTO STOCK**

Where shares are converted into stock:

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

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

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
- (c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/”Member” shall include “stock” and “stockholder” respectively.

#### **69. REDUCTION OF CAPITAL**

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

- (a) its share capital; and/or
- (b) any capital redemption reserve account; and/or
- (c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be:

- (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up;
- (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets;

or

- (ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

#### **DEMATERIALIZATION AND BUYBACKS**

#### **70. DEMATERIALIZATION OF SECURITIES**

- (a) The Company shall recognize interest in dematerialized securities under the Depositories Act, 1996.
- (b) The securities (including Shares) of the Company shall be held with a depository in electronic form and the certificate in respect thereof shall be dematerialized. The rights and obligations of the Company and the security-holders concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of the Depositories Act 2009 (“**Depositories Act**”), as amended from time to time or any statutory modification thereto or re-enactment, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other Applicable Law.
- (c) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 89 and other applicable provisions of the Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owner. No certificate shall be issued for the securities held by the Depository.
- (d)
  - (i) Notwithstanding anything to the contrary contained in the Act, or these Articles, a depository shall be deemed to be registered owner for the purposes of effecting Transfer of ownership of security on behalf of the beneficial owner.
  - (ii) Save as otherwise provided in (i) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
  - (iii) Every Person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a shareholders, or security holder as the case may be, of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- (e) Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
- (f) Notwithstanding anything in the Act, or these Articles, to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (g) 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 depository, subject to the provisions of the Depositories Act.
- (h) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- (i) Except in the manner hereinabove mentioned, no Share shall be sub-divided.
- (j) Dematerialization/Re-materialization of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, re materialize its securities held in Depositories and/or offer its fresh securities in the dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

(k) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(d) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(e) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(f) Register and index of beneficial owners

The Company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

## **71. BUY BACK OF SHARES**

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

### **GENERAL MEETINGS**

## **72. ANNUAL GENERAL MEETINGS**

- (a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.
- (b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

## **73. EXTRAORDINARY GENERAL MEETINGS**

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General

Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

**74. EXTRAORDINARY MEETINGS ON REQUISITION**

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

**75. NOTICE FOR GENERAL MEETINGS**

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

**76. SHORTER NOTICE ADMISSIBLE**

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

**77. CIRCULATION OF MEMBERS' RESOLUTION**

The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

**78. SPECIAL AND ORDINARY BUSINESS**

(a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

(b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

**79. QUORUM FOR GENERAL MEETING**

Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

**80. TIME FOR QUORUM AND ADJOURNMENT**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and



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 Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

**81. CHAIRMAN OF GENERAL MEETING**

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

**82. ELECTION OF CHAIRMAN**

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

An individual appointed and re-appointed as chairman of the Company may also be the managing director or chief executive officer of the Company.

**83. ADJOURNMENT OF MEETING**

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

**84. VOTING AT MEETING**

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General 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. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

**85. DECISION BY POLL**

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

**86. CASTING VOTE OF CHAIRMAN**

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

**87. PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.
- (c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

**VOTE OF MEMBERS**

**88. VOTING RIGHTS OF MEMBERS**

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (a) On a show of hands every Member holding Equity Shares and present in person shall have one vote.
- (b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital.
- (c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

**89. VOTING BY JOINT-HOLDERS**

In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

**90. VOTING BY MEMBER OF UNSOUND MIND**

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

**91. NO RIGHT TO VOTE UNLESS CALLS ARE PAID**

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

**92. PROXY**

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

**93. INSTRUMENT OF PROXY**

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose.

The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

**94. VALIDITY OF PROXY**

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

**95. CORPORATE MEMBERS**

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

**DIRECTOR**

**96. NUMBER OF DIRECTORS**

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not exceed a maximum of fifteen Directors:

The following shall be the first Directors of the Company

1. Shri Rajiv Mehrotra
2. Shri Shakti Sarup Puri
3. Shri Ajay Khanna
4. Shri Alok Tandon
5. Shri Kailash Narain Mehrotra
6. Smt. Shyama Mehrotra

**97. SHARE QUALIFICATION NOT NECESSARY**

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

**98. ADDITIONAL DIRECTORS**

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

**99. ALTERNATE DIRECTORS**

- (a) The Board may, appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the “**Original Director**”)
- (b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

Provided no person shall be appointed or continue as an alternate director for an independent director as prescribed under Regulation 25 of Listing Obligations And Disclosure Requirements).

**100. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY**

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

**101. REMUNERATION OF DIRECTORS**

- (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- (ii) in addition to the remuneration payable to them in pursuance of the act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
  - (a) In attending and returning from meetings of the board of directors or any committee thereof or general meetings of the Company; or
  - (b) In connection with the business of the Company.

The board may pay all expenses incurred in getting up and registering the Company.

- 102.** Subject to the provisions of Companies Act ,2013, If any director, being willing, shall be called upon to perform extra service or to make any special exertions in the going or residing away from the place of his normal residence for any of the purpose of the company, the company may remunerate the Directors so doing either by a fixed sum or by a percentage on profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided for the Directors.

**103. CONTINUING DIRECTOR MAY ACT**

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

**104. VACATION OF OFFICE OF DIRECTOR**

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

## **ROTATION AND RETIREMENT OF DIRECTOR**

### **105. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR**

At every Annual General Meeting of the Company, one third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions if any, of the Act.

### **106. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION**

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

### **107. WHICH DIRECTOR TO RETIRE**

Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

### **108. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION**

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an Ordinary Resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

## **PROCEEDINGS OF BOARD OF DIRECTORS**

### **109. MEETINGS OF THE BOARD**

- (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year.
- (b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorized in this behalf on the requisition of Director shall at any time summon a meeting of the Board.
- (c) The notice of each meeting of the Board shall include
  - (i) the time for the proposed meeting;
  - (ii) the venue for the proposed meeting; and

(iii) an agenda setting out the business proposed to be transacted at the meeting.

- (d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

**110. QUESTIONS AT BOARD MEETING HOW DECIDED**

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

**111. QUORUM**

Subject to the provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

**112. ADJOURNED MEETING**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, 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 Directors may determine.

**113. ELECTION OF CHAIRMAN OF BOARD**

- (a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.
- (b) If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

**114. POWERS OF DIRECTORS**

- (a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- (b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

**115. DELEGATION OF POWERS**

- (a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.
- (b) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

**116. ELECTION OF CHAIRMAN OF COMMITTEE**

- (a) A committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the committee meeting.
- (b) The quorum of a committee may be fixed by the Board of Directors.

**117. QUESTIONS HOW DETERMINED**

- (a) A committee may meet and adjourn as it thinks proper.
- (b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

**118. VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE**

All acts done by any meeting of the Board, of a committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person had been duly appointed and was qualified to be a Director.

**119. RESOLUTION BY CIRCULATION**

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

**120. MAINTENANCE OF FOREIGN REGISTER**

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

**121. BORROWING POWERS**

- (a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances

with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

- (b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.
- (c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.
- (c) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with the sanction of the Company in General Meeting accorded by a Special Resolution.

## **122. REGISTER OF CHARGES**

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.

## **123. MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS**

Subject to the provisions of the act,—

- (i) a Managing Director, Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the board;
- (ii) a Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.
- (iii) A provision of the act or these regulations requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, Company secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.
- (iv) The director (other than the managing Director, Whole time director) may receive remuneration by



way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board in accordance with the provision of section 197 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **124. POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR**

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

#### **125. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act —

- (a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.
- (b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.
- (c) A provision of the Act or the Articles requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **COMMON SEAL**

#### **126. CUSTODY OF COMMON SEAL**

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

#### **127. SEAL HOW AFFIXED**

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of at least two Directors and of the company secretary or such other person duly authorized by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

## **DIVIDEND**

### **128. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS**

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

### **129. INTERIM DIVIDENDS**

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

### **130. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND**

- (a) Any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in dividend subsequently declared or any right to participate in the profits of the Company..
- (b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Bharti Hexacom Limited". and transfer to the said account, the total amount of dividend which remains unpaid.
- (c) The Company shall, within a period of ninety days of making any transfer of an amount under sub- section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.
- (d) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
- (e) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.
- (f) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.
- (g) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law as prescribed under Regulation 43 of Listing Obligations and Disclosure Requirements Regulations, 2015 and other applicable law and such forfeiture, if effected, shall be annulled in appropriate cases.

### **131. DIVISION OF PROFITS**

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

### **132. DIVIDENDS TO BE APPORTIONED**

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

### **133. RESERVE FUNDS**

- (a) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.
- (b) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

### **134. DEDUCTION OF ARREARS**

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

### **135. RECEIPT OF JOINT HOLDER**

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

### **136. DIVIDEND HOW REMITTED**

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

### **137. DIVIDENDS NOT TO BEAR INTEREST**

No dividends shall bear interest against the Company.

### **138. TRANSFER OF SHARES AND DIVIDENDS**

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

## **CAPITALISATION OF PROFITS**

### **139. CAPITALISATION OF PROFITS**

- (a) The Company in General Meeting, may, on 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 the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub-clause (c) below, either in or towards:
  - (i) paying up any amounts for the time being unpaid on shares held by such Members respectively;
  - (ii) paying up in full, unissued share 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 that specified in sub-clause (ii).
  - (iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.
  - (v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles

### **140. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE**

- (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
  - (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
  - (ii) generally do all acts and things required to give effect thereto.
- (b) The Board shall have full power:
  - (i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and
  - (ii) to authorize 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 or other securities to which they may be entitled upon such capitalization 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 capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.

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

## **ACCOUNTS**

### **141. WHERE BOOKS OF ACCOUNTS TO BE KEPT**

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

### **142. INSPECTION BY DIRECTORS**

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act.

### **143. INSPECTION BY MEMBERS**

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board.

## **SERVICE OF DOCUMENTS AND NOTICE**

### **144. MEMBERS TO NOTIFY ADDRESS IN INDIA**

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

### **145. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

### **146. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS**

A document may be served by the Company on the persons 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 them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

### **147. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS**

Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

- (a) To the Members of the Company as provided by these Articles.
- (b) To the persons entitled to a share in consequence of the death or insolvency of a Member.
- (c) To the Directors of the Company.
- (d) To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

**148. NOTICE BY ADVERTISEMENT**

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

**149. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS**

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

Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

**WINDING UP**

**150. Subject to the applicable provisions of the Act—**

- (a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
- (d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in SAM payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

**INDEMNITY**

**151. DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY**

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or 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. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

**152. INSURANCE**

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

**SECURITY CLAUSE**

**153. SECURITY**

No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

**GENERAL POWER**

**154.** Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

**155.** At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**"), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.

## **PART B**

### **THE COMPANIES ACT, 2013**

### **PRIVATE COMPANY LIMITED BY SHARES**

### **ARTICLES OF ASSOCIATION**

### **OF**

### **BHARTI HEXACOM LIMITED**

#### **I. PRELIMINARY**

1. Subject as hereinafter provided; the regulations contained in Table 'F' in the First Schedule to the Act (*as defined hereinafter*) shall apply to the Company (*as defined hereinafter*) except in so far as otherwise expressly incorporated herein below.
2. The intention of these Articles (*as defined hereinafter*) is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in the Act (*as defined hereinafter*) allowing what were not previously allowed, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.

#### **II. DEFINITIONS AND INTERPRETATION**

3. In these Articles:
  - a) "Act" means the Companies Act, 2013 read with the rules framed thereunder and includes where the context so admits, any re-enactment or statutory modifications or amendments thereof, for the time being in force, and where the context so requires shall mean and include any previous enactment thereof;
  - b) "Articles of Association" or "Articles" means the Articles of Association of the Company as originally framed or as altered from time to time in accordance with the Act;
  - c) 'Affiliate(s)' means any Corporate, which is a holding company or subsidiary company of a common holding company of BAL or TCIL.
  - d) 'Auditors' means and includes those persons appointed as such for the time being by the Company.
  - e) 'Agreement' shall mean the agreement entered into amongst BAL, and TCIL, all amendments and modifications (agrees to in writing) thereto as well as the Schedules annexed thereto;
  - f) "BAL" shall mean Bharti Airtel Limited, having its registered office at Plot No. 16, Udyog Vihar, Phase IV, Gurgaon, Haryana-122015.
  - g) "Board" or "Board of Directors" means the collective body of the directors of the Company;
  - h) "Board Meeting" shall mean a meeting of the Board of Directors;
  - i) 'Business' means the provision of cellular telephony and related value-added services in accordance with the terms of the Mobile Cellular Telephone License(s), as well as the (i) sale, finance, lease



and distribution of subscriber equipment and accessories and (ii) the operation of a cellular mobile telephone network;

- j) 'Consultation Matters' shall mean matters requiring consultation between the Parties before being brought to the Board Meeting or Annual General Meeting (AGM) / Extra-Ordinary General Meeting (EGM).
  - k) "Company" means Bharti Hexacom Limited.
  - l) 'Party or Parties' shall mean a shareholder of the company who is a signatory to the shareholders' Agreement and their affiliates.
  - m) 'Permitted Transferees' shall mean: (i) in case of TCIL, its Affiliates; and (ii) in case of BAL, its Affiliates.
  - n) 'Special Matters': In furtherance of the principles of corporate governance set forth in Clause 5.1, the following special matters ("Special Matters") must be mutually agreed upon in writing by the Parties in accordance with Clause 7.3 prior to their implementation by the Parties at meeting of the Shareholders:
    - a) Amendment or alteration of Bharti Hexacom Limited's Memorandum of Association or Articles of Association;
    - b) Reduction in the share capital of Bharti Hexacom Limited or variation in rights of any Shares;
    - c) Change the name of Bharti Hexacom Limited;
    - d) All matters involving mergers, acquisitions and new businesses with respect to Bharti Hexacom Limited or entering into any new line of business or changing Bharti Hexacom Limited's existing business;
    - e) The liquidation, dissolution, voluntary bankruptcy, winding up of Bharti Hexacom Limited's affairs or placing them under official management or any form of statutory management or receivership or any analogous event with respect to Bharti Hexacom Limited;
    - f) Appointment of or change of auditors;
    - g) Any change in the registered office of Bharti Hexacom Limited;
  - o) "TCIL" shall mean Telecommunications Consultants India Limited, having its registered office at TCIL Bhawan, Greater Kailash-I, New Delhi-110048.
  - p) 'Law' or 'Applicable Law' shall mean: (i) any common or customary law; (ii) any statute, decree, constitution, judicial decision, judgment, legislation, ordinance, regulation, order or other legislative measure of any Government Entity; (iii) any present or future directive, regulation, request or requirement promulgated by any Government Entity (in each case, whether or not having the force of law, but, if not having the force of law) the non-compliance with which would have a material effect on any Party's ability to perform its obligations under this Agreement; and (iv) any treaty, pact, compact, or other agreement to which any Government Entity is a signatory or party.
  - q) 'License Agreement' shall mean the license agreement executed or to be executed between the Company and Government of India, Department of Communication;
  - r) 'License' shall mean the license issued by the Government of India, Ministry of Communications, Department of Communications, Telecom Commission to the Company for Cellular mobile telephone services for North East Circle and for Rajasthan Circle.
4. Except as otherwise specifically provided for in this Agreement, no Party may, directly or indirectly sell, assign, or transfer any shares or grant, declare, create or dispose of any right or interest in any shares (any such action being hereinafter referred to as to 'transfer' or a 'transfer') without having obtained the prior

written consent of the other Party (such consent not to be unreasonably withheld). A Party is however, free to create any security interest, mortgage or lien etc. over any shares.

5. Notwithstanding the above, a Party is free to transfer its shares to its Permitted Transferee without the prior written consent of the other Party, provided that:
  - (a) The Transferring Party forthwith notifies the other Party in writing of the transfer to the Permitted Transferee prior to such transfer;
  - (b) Such Permitted Transferee shall have agreed in writing prior to such transfer to be bound by the terms of this Agreement in a form and substance reasonably acceptable to the other Party.
  
6.
  - (a) If any Shareholder (the "Selling Shareholder") receives an offer (the "Offer") to sell any of its Shares in Bharti Hexacom Limited to a bona fide third party Offeror (the "Third Party Offeror"), it will be obliged to offer the same to the other Shareholder (the "Offeree Shareholders") on the same terms and condition, by delivering to the Offeree Shareholders a selling notice (the "Selling Notice") to which will be joined a copy of such Offer. It is clarified that the Third Party Offeror shall not be an existing competitor operating in Rajasthan or any person or entity subjected to punishment for any criminal act.
    - (b) The offer by the Selling Shareholder contained in the Selling Notice shall remain open for acceptance for a period of thirty (30) days following receipt of the Selling Notice. The Offeree Shareholder may accept the offer from the Selling Shareholder by giving written notice to such Selling Shareholder prior to the expiry of the thirty (30) day period. If such notice is not given by an Offeree Shareholder or not received by the Selling Shareholder(s) prior to the expiry of such 30 day period, then such Offeree Shareholder shall be deemed to have refused to purchase the Shares offered.
    - (c) If an Offeree Shareholder does not give said notice, then the Selling Shareholder shall have the right to sell all of the offered Shares to the Third Party Offeror at the price and upon the terms set forth in the Offer provided however that such sale be completed within thirty (30) days following the expiry of the thirty (30) day notice above mentioned. In the event that the Selling Shareholder does not sell the offered Shares to the Third Party Offeror within such period, then the provisions of this Agreement shall once again apply and so on from time to time.
  
7. Unless the context otherwise requires,
  - (i) words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company;
  - (ii) all references herein to any Article shall be deemed to be references to an Article of these Articles unless the context shall otherwise require;
  - (iii) all references herein to any section shall be deemed to be references to the section of the Act unless otherwise specified or the context shall otherwise require;
  - (iv) words importing the singular number also include the plural number and vice versa;
  - (v) words importing the masculine gender also include the feminine gender and vice versa; and
  - (vi) words importing persons include corporations.

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

8. Subject to the provisions of the Act and these Articles, the authorised share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of the memorandum of association of the Company with power to the Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any

new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.

9. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
10.
  - (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within 2 (two) months after incorporation, in case of subscribers to the memorandum or after allotment or within 1 (one) month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:
    - a) one certificate for all his shares without payment of any charges; or
    - b) several certificates, each for 1 (one) or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.
  - (ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary.
  - (iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a share to 1 (one) of several joint holders shall be sufficient delivery to all such holders.
11.
  - (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such charges as may be fixed by the Board for each certificate.
  - (ii) The provisions of Articles 8 and 11 shall *mutatis mutandis* apply to the other securities including debentures of the Company.
12. Except as required by applicable law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
13.
  - (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40 of the Act.
  - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
14.
  - (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the

provisions of section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of such number of holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as may be prescribed by the Act.

- (ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
15. The Company shall comply with the provisions of section 62 of the Act with regard to increasing the subscribed capital of the Company.
  16. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari-passu* therewith.
  17. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment or part-payment for any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or for goods or machinery supplied or to be supplied or for services rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company or the conduct of its business and shares which may be so allotted may be issued as fully or partly paid-up otherwise than in cash and if so issued, shall be deemed to be fully or partly paid as the case may be.
  18. The Company shall have the power to issue securities at a premium and shall duly comply with the provisions of section 52 of the Act.
  19. Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its securities and to offer its securities for subscription in dematerialized form, in which case the provisions of Depositories Act, 1996 shall apply along with the applicable provisions of the Act.

#### **IV. FURTHER ISSUE OF SHARES**

20. (i) Where at any time it is proposed to increase the subscribed capital of the Company, the Board may, in accordance with the Act, issue further shares to:
  - a) the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date; and/or
  - b) employees under a scheme of employees' stock option in accordance with the applicable laws to the Company.
- (ii) Notwithstanding anything contained in sub-clause (i) the further shares may be offered to any persons (whether or not those persons include the persons referred to in clause (a) or (b) of sub-clause (i) hereof) in any manner whatsoever in accordance with the Act.
21. Subject to the provisions of section 55 of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.
22. The Company shall have the power to issue sweat equity shares, subject to the compliance with requirements as provided for in the Act, or any other law as may be applicable.

#### **V. LIEN**

23. (i) The Company shall have a first and paramount lien:
- a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and/or
  - b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company.
- Provided that* the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The Company's lien, if any, on a share shall extend to all dividends or interest payable and bonuses declared from time to time in respect of such shares.
24. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien.
- Provided that* no sale shall be made:
- (i) unless a sum in respect of which the lien exists is presently payable; or
  - (ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
25. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (iv) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
26. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
27. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
28. The provisions of Articles 23 to 28 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

## VI. CALLS ON SHARES

29. (i) Subject to the provisions of Act and other applicable laws, the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- (ii) Each member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
30. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
31. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
32. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
33. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
34. The Board:
- (i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve per cent) per annum, as may be agreed upon between the Board and the member paying the sum in advance.
35. The provisions of Articles 29 to 35 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

## VII. TRANSFER OF SHARES

36. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
37. The Board may, subject to the right of appeal conferred by section 58 of the Act decline to register:

- (i) the transfer of a share (not being a fully paid share) in favour of a person of whom they do not approve to be a member of the Company; or
  - (ii) any transfer of shares on which the Company has a lien.
38. The Board may decline to recognise any instrument of transfer unless:
- (i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;
  - (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (iii) the instrument of transfer is in respect of only one class of shares.
39. On giving not less than 7 (seven) days' previous notice in accordance with section 91 of the Act and rules made thereunder, 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 30 (thirty) days at any 1 (one) time or for more than 45 (forty-five) days in the aggregate in any year.
40. In the case of death of any one or more of the persons named in the register of members as the joint holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall release the estate of the deceased joint-holder from any liability on the share held by him jointly with any other person.
41. The Company shall incur no liability or responsibility whatever in consequences of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner (as appearing in the register of members), to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or prohibiting registration of such transfer.
42. The provisions of Articles 36 to 42 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

#### **VIII. TRANSMISSION OF SHARES**

43. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
44. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either: (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

45. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
46. 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 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

47. The person whose name has been entered in the register of members upon registration of transmission of shares by the Company shall indemnify the Company, its directors, manager, secretary and officers, from and against all actions, suits, proceedings, accounts, claims and demands whatsoever for or on account of said shares or dividends or any part thereof or otherwise in connection with the same, and from and against all losses, costs, claims, actions, demands, risks, charges, expenses, damages and losses arising in any manner howsoever.
48. The provisions of Articles 43 to 48 shall *mutatis mutandis* apply to all the other securities including debentures issued by the Company.

#### **IX. FORFEITURE OF SHARES**

49. If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.
50. The notice aforesaid shall:
- (i) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (ii) state that, in the event of non-payment on or before the day so named, the underlying shares shall be liable to be forfeited.
51. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.



52. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
53. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
54. (i) A forfeited share shall be deemed to be the property of the Company and may be sold or re-sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
55. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
56. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.
57. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
58. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
59. The provisions of these Articles as to forfeiture under Articles 49 to 58 shall apply to the other securities including the debentures issued by the Company.

## **X. ALTERATION OF CAPITAL**

60. The Company may, from time to time, by way of a resolution as prescribed under the Act, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
61. Subject to the provisions of section 61 of the Act, the Company may-

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (ii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (iii) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; or
- (iv) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

62. Where shares are converted into stock:

- (i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

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

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

63. The Company may, by resolution as prescribed under the Act, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

- (i) its share capital;
- (ii) any capital redemption reserve account; or
- (iii) any share premium account; and/or
- (iv) any other reserve in the nature of share capital.

## **XI. CAPITALISATION OF PROFITS**

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

- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
  - a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
  - d) a securities premium account and a capital redemption reserve account may, for the purposes of these Articles, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; and
  - e) the Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- 65. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
  - a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power:
  - a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (iii) Any agreement made under such authority shall be effective and binding on such members.

## **XII. BUY-BACK OF SHARES**

- 66. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

## **XIII. GENERAL MEETINGS**

- 67. Subject to the provisions of the Act, an annual general meeting shall be held each calendar year within the time prescribed under the Act. Subject to the foregoing, the Board may convene a general meeting whenever it deems appropriate in accordance with the provisions of the Act.
- 68. All general meetings other than an annual general meeting shall be called extraordinary general meetings.
- 69. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting in accordance with the provisions of the Act.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any 2 (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.

70. A general meeting of the Company may be called by giving not less than 21 (twenty one) days' notice in writing or through electronic mode but a general meeting may be called after giving shorter notice if consent is given in writing or by electronic mode and is received from such number of members, as provided under the Act in accordance with the provisions of the Act.

#### **XIV. PROCEEDINGS AT GENERAL MEETINGS**

71. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

72. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

73. If there is no such Chairperson, or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson of the meeting, the directors present shall elect 1 (one) of their members to be Chairperson of the meeting.

74. If at any meeting no director is willing to act as Chairperson or if no director is present within 15 (fifteen) minutes after the time appointed for holding the meeting, the members present shall choose 1 (one) of their members to be Chairperson of the meeting.

75. If there is an equality of votes at any general meeting, the Chairperson of such meeting shall have a second or casting vote.

76. (i) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors to be prepared and signed in such manner as may be prescribed by the Act and kept by making within 30 (thirty) days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

(ii) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

77. The books containing the minutes of the proceedings of any general meeting of the Company shall: (i) be kept at the registered office of the Company; and (ii) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.

#### **XV. ADJOURNMENT OF MEETING**

78. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **XVI. VOTING RIGHTS**

79. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- (i) on a show of hands, every member present in person shall have 1 (one) vote; and
  - (ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
80. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
81. (i) 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.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
82. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.
83. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
84. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
85. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## **XVII. PROXY**

86. Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.
87. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) 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 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
88. An instrument appointing a proxy shall be in the form as prescribed in the Act.
89. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **XVIII. BOARD OF DIRECTORS**

90. The Board of Directors of the Company shall consist of not less than three directors and not more than twelve directors.

However, the Board shall comprise of nominees of BAL; and TCIL in the ratio of 2:1 (BAL : TCIL).

91. The following were the first Directors of the Company:

- a) Shri Rajiv Mehrotra
- b) Shri Shakti Sarup Puri
- c) Shri Ajay Khanna
- d) Shri Alok Tandon
- e) Shri Kailash Narain Mehrotra
- f) Smt. Shyama Mehrotra

92. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

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

93. The Board may pay all expenses incurred in getting up and registering the Company.

94. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

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

96. (i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

(iii) Subject to the provisions of section 161, the Board shall have power at any time, and from time to time, to appoint a person, not being a person holding any alternate directorship for any other director

in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India.

- (iv) The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a government company.
97. If it is provided by the trust deed securing or otherwise in connection with an issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in case of any and every such issue of debentures, the person having such power may exercise such power from time to time and appoint a director accordingly.
98. The Board of Directors shall establish an Audit and Finance Committee composed of three (3) Members of the Board of Directors, two (2) representative of BAL and one (1) representative of TCIL. The Committee shall meet at least once every 3 months. The Audit and Finance Committee shall recommend the appointment and selection of the Chief Financial Officer (the "CFO") of the Company and such Committee shall review and approve: (i) related party transactions and (ii) monthly financial statements and reports. The CFO shall, in addition to reporting to the Chief Executive Officer, be directly accountable to the Audit and Finance Committee. In addition, the Audit and Financial Committee shall decide as to:
- i. the form and the type of information to be provided by the Company on a monthly basis; and
  - ii. the financial controls to be established which controls shall be in conformity with controls established by BAL and TCIL for their own respective financial controls. The Audit and Finance Committee may also make recommendations regarding the appointment, terms of employment and changes therein and termination of the CFO of the Company.

#### **XIX. PROCEEDINGS OF THE BOARD**

99. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as they deem fit and in accordance with the applicable provisions of the Act.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
100. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
101. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
102. The Chairperson shall be a director appointed through consent of a majority of directors of the Company.
103. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
104. (i) A committee may elect a Chairperson of its meetings.

- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
105. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
106. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any 1 (one) or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
107. Save as otherwise expressly provided in the Act, a resolution in writing, signed by a majority of members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held. No meeting of the Board shall be held unless at least 7 (seven) days prior written notice of such meeting is given to all the directors by hand delivery or by post or by electronic means as may be permitted in the Act. A shorter period of notice may be given subject to the conditions mentioned in the section 173 (3) of the Act.
108. The Board shall hold a minimum number of 4 (four) meetings of the Board every year in such a manner that in every quarter 1 (one) Board meeting is held and not more than 120 (one hundred twenty) days shall intervene between 2 (two) consecutive meetings of the Board.
109. The Chairperson may, at any time, and the company secretary, if any, or such other officer of the Company as may be authorised in this behalf on the requisition of director shall at any time summon a meeting of the Board. Notice will be sent at the registered address of every director and such notice shall be sent either by hand delivery or by courier or by registered post or by speed post or by electronic means or by any other mode as may be permitted under the Act.
110. The directors may participate in board meetings through such modes as may be permitted by the Act.
111. Subject to the provisions of the Companies Act, the quorum shall be as per the Act, provided that for a meeting in which Special Matters are on the agenda, the presence of at least 1 (one) nominee each of BAL and TCIL shall be necessary for the purposes of quorum. If any meeting is adjourned for want of quorum, the same shall be reconvened as per the Act and the requirement of presence of at least 1 (one) TCIL and 1 (one) BAL nominee for meetings in which Special Matters are on the agenda, shall not be required and the quorum shall be as per the Act.
112. Voting at the meeting shall be as per the provisions of the Act. Provided however, that for Special Matters, the affirmative vote of both TCIL and BAL will be required. It is further agreed that if any meeting is adjourned for want of quorum, the same shall be reconvened as per the Act and the requirement of affirmative vote of TCIL and BAL for Special Matters, shall not be required and the voting shall be as per the Act.
113. Subject to the provisions of the Act, a resolution passed by circulation, without a meeting of the Board or a Committee of the Board (such committee comprising at least one TCIL nominee) shall be as valid and effectual as a resolution duly passed at a meeting of the Board or a Committee thereof duly called and held.
114. The total strength of the Board shall mean the number of directors actually holding office as directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of directors, if any, whose places are vacant at the time.



115. 'Consultation Matters': The Parties agree that in respect of the following matters, Chairman and Managing Director, BAL shall consult Chairman and Managing Director, TCIL before taking any decision on the following matters:
- (a) Approval of monthly and annual budgets, MIS and Audited accounts, Capital expenditure / Investments, Expansion / Diversification;
  - (b) Floating of shares/debentures, lending / borrowings, making / acceptance of deposits etc. subject to exemption of sums within threshold amount to be mutually agreed by BAL & TCIL;
  - (c) Dividend/Bonus shares to shareholders;
  - (d) Appointment of CEO

## **XX. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

116. Subject to the provisions of the Act:
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may deem fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; and
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
117. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **XXI. REGISTERS AND RETURNS**

118. The Company shall maintain, at its registered office, all statutory books, registers and records as is required under the Act and, to promptly and timely file all statutory returns with the jurisdictional registrar of companies as required by the Act. The Company shall file an annual return (containing the relevant particulars) with the jurisdictional registrar of companies within the time period as required under the provisions of the Act.
119. The Company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may deem fit respecting the keeping of any such register.

## **XXII. DIVIDENDS AND RESERVE**

120. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
121. Subject to the provisions of section 123 of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
122. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may,

at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
123. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these Articles as paid on the share.
  - (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
124. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
125. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
126. Any 1 (one) of 2 (two) or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
127. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
128. No dividend shall bear interest against the Company.

### **XXIII. ACCOUNTS**

129. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

### **XXIV. WINDING UP**

130. Subject to the provisions of the Act and rules made thereunder-
- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or

kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **XXV. BORROWING POWERS**

131. The Board may, subject to the provisions of the Act, raise or borrow any sum or sums for the purposes of the Company and secure repayment of any sum or sums borrowed, in such manner and at such time or times and upon such terms and conditions as it may deem fit in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures of 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, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to the Board may seem expedient.

#### **XXVI. INDEMNITY**

132. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in which relief is granted to him by the court or the tribunal under the provisions of the Act.

#### **XXVII. ARBITRATION**

133. In the event of any dispute among the Shareholders howsoever arising under or in connection with this Agreement, then the Shareholders agree as follows:
- (i) They shall use their best efforts to settle such dispute; to this end, the shareholders shall forthwith meet to attempt to resolve such disputes through amicable and good faith discussions failing which, such dispute shall be submitted to one (1) senior executive appointed by each of BAL and TCIL and
  - (ii) Any and all disputes in connection with or arising out of this Agreement (including, for the avoidance of doubt, any dispute with regard to Special Matters) shall, be referred to arbitration in terms of the provisions of the Arbitration and Conciliation Act, 1996. Each Party shall appoint one arbitrator and the two arbitrators shall jointly appoint the third arbitrator. The proceedings shall be held in New Delhi. The award of the arbitrators shall be final and binding on the Parties.

#### **XXVIII. MISCELLANEOUS**

134. The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any other person or persons to exercise such powers.
135. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any particular action or transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights,

privileges or authorities and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided.