

# TREND ELECTRONICS LIMITED

Regd. Office: 20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabad - 431 210.

## POSTAL BALLOT NOTICE

[Pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011]

Dear Member(s),

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the Resolutions appended below are proposed to be passed as Ordinary/Special Resolutions, as the case may be, by way of Postal Ballot.

Members' consent is requested for the proposals contained in the Resolutions appended below. The Explanatory Statement pertaining to the said Resolutions setting out material facts and the reasons thereof is annexed hereto alongwith a Postal Ballot Form for your consideration.

1. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956, Clause III. A 1. i.e. "MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION" of the Memorandum of Association of the Company be and is hereby altered by inserting the words "Light Emission Displays (LEDs), Plasma Display Panels (PDPs), Liquid Crystal Displays (LCDs), DVDs, Set Top Boxes" after the word "Televisions"; by inserting the words "Mobile Phones, Mobile Tablets" after the words "cordless telephones"; by inserting the words "electronic gadgets" after the words "technological advancements" so as to read as under:

1. To carry on business as manufacturers, processors, fabricators, designers, traders, importers, exporters, and to manufacture, treat, assemble, purchase, market, sell, export, imports, alter, repair, let on hire, lease, exchange by barter or otherwise deal in India or elsewhere equipments, systems, appliances, mechanisms, gadgets, including Video Cassette Recorders, Video Cassette Players, Video Tape Deck Mechanism, Televisions, Light Emission Displays (LEDs), Plasma Display Panels (PDPs), Liquid Crystal Displays (LCDs), DVDs, Set Top Boxes, Computers, electronic printing mechanisms, electronic copiers, electronic typewriters, duplicators, photo copy machines, electronic teleprinters, electronic telex, fax-machines, electronic weighing machines, counter equipments, electronic ovens and cooking apparatus, electronic private telephone exchanges, electronic private automatic box exchanges, electronic telephones, cordless telephones, Mobile Phones, Mobile Tablets, Push Button inter-coms, Micro Processors, Electronic Voting Machines, Cinematographic Film Recording Equipments Reproducing Equipments-Robots Quarts Digital and Anologue Watches Process Control Instrumentation and Testing Equipments; Audio Tape Deck Mechanisms, Capacitors- Tuners Transformers - Loud Speakers- Musical Instruments - Micro Processors - Video Games - Tape recorders - Record changers; inclusive of their ramification, incognate, technological advancements, electronic gadgets, other electrical or electronic products, components, spare parts accessories, Hardware, Software, assemblies, and related bakelite, plastic, PVC, Resin, metallic components and frames and to conduct and carry on research and develop new products, processes, technologies for better improved cost effective newer electrical and electronic equipments, components, spare and accessories and to provide Consultancy Service in relation to the aforesaid activities.

**RESOLVED FURTHER THAT** the copies of the Memorandum of Association of the Company be altered accordingly.

**RESOLVED FURTHER THAT** any one of the Directors and/or the Company Secretary of the Company be and are hereby, severally, authorized to do all such acts, deeds and things as are deemed expedient and necessary and to file necessary Forms>Returns/ Applications/Documents/ Papers as are required to be filed with the office of the Registrar of Companies, Maharashtra, Mumbai and other authorities, Statutory or otherwise as are required to give effect to this Resolution."

2. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded, for alteration of existing Articles of Association of the Company by deleting the existing set of regulations 1 to 187 (both inclusive) and substituting with new set of regulations 1 to 199 (both inclusive) to read as under:

### CONSTITUTION

1. The Regulations contained in Table 'A' in the first Schedule of the Companies Act, 1956, shall apply to this Company to the extent which they are not modified, amended or altered by these Articles.

### INTERPRETATION

#### Interpretation Clause

2. In the Interpretation of these Articles, unless repugnant to the subject or context:

#### "The Act" and "The said Act"

"The Act" or "the said Act" and reference to any Section or provision thereof respectively means and includes the Companies Act, 1956 (1 of 1956) and any statutory modification or re-enactment thereof for the time being in force and reference to the Section or provisions of the said Act or such statutory modification.

#### "Annual General Meeting"

"Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act or any adjournment thereof.

#### "Applicable Law"

"Applicable Law" shall mean any law, rule, regulation, ordinance, order, code, treaty, judgement, decree, injunction, permit or decision of any central, state or local government, authority, agency, court, tribunal or other body in India having jurisdiction over the matter in question, as may be in force from time to time.

#### "The Articles"/"AOA"

"The Articles"/"AOA" means these Articles of Association as adopted or as from time to time altered in accordance with the provisions of Section 31 of the Act.

#### "Auditors"

"Auditors" means and includes those persons appointed, as such, for the time being by the Company.

#### "Beneficial Owner"

"Beneficial owner" shall mean beneficial owner as defined in Clause (a) of sub-Section (1) of Section 2 of the Depositories Act, 1996.

#### "Board"

"Board" or "Board of Directors" or "Directors" shall refer to the duly constituted Board of Directors of the Company.

#### "Capital" or "Share Capital"

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

**“The Company” or “This Company”**

“The Company” or “This Company” means TREND ELECTRONICS LIMITED or such other name, changed in accordance with the Law.

**“Debentures”**

“Debentures” shall include debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

**“Depositories Act, 1996”**

“Depositories Act, 1996” shall mean the Depositories Act, 1996 and shall include any statutory modification(s) or re-enactment(s) thereof.

**“Depository”**

“Depository” shall mean a Depository as defined under Clause (e) of Sub-section (i) of Section 2 of the Depositories Act, 1996.

**“Dividend”**

“Dividend” includes bonus.

**“Equity Shares” or “Shares”**

“Equity Shares” or “Shares” means the Shares into which the Capital of the Company is divided and interests corresponding to such Shares including with respect to each Shareholder and Member all Equity Shares and any other Equity Share Equivalents whether now owned or hereafter acquired and owned thereby.

**“Equity Shares Equivalents”**

“Equity Shares Equivalents” means any Debentures, Preference Shares, options or warrants or other securities or rights which are by their terms convertible, exchangeable or exercisable into Equity Shares of the Company’s issued Share Capital.

**“Extraordinary General Meeting”**

“Extraordinary General Meeting” means an Extraordinary General Meeting of the Members duly called and constituted in accordance with Section 169 of the Act and any adjourned holding thereof.

**“Genders”**

Words imparting the masculine gender also include the feminine gender.

**“In writing”**

“In writing” and “written” includes printing or lithography or any other modes of representing or reproducing words in visible form.

**“Meeting” or “General Meeting”**

“Meeting” or “General Meeting” means a Meeting of Members.

**“Memorandum of Association”/“MOA”**

“Memorandum of Association”/“MOA” or “Memorandum” shall mean the Memorandum of Association of the Company, altered from time to time.

**“Month”**

“Month” means calendar month.

**“Office”**

“Office” means the Registered Office for the time being of the Company.

**“Paid up”**

“Paid up” includes credited as paidup.

**“Persons”**

“Persons” includes corporations as well as individuals.

**“The Registrar”**

“The Registrar” means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated.

**“Register of Members”**

“Register of Members” means the Register of Members kept pursuant to the Act.

**“Seal”**

“Seal” means the common seal for the time being of the Company.

**“Shareholder” or “Member”**

“Shareholder” or “Member” means the duly registered holder of the Shares from time to time and includes the subscribers to the Memorandum of Association of the Company and the Beneficial Owner(s) as defined herein.

**“Singular Number”**

Words imparting the singular number include, where the context admits or requires, the plural number and vice versa.

**“Year” and “Financial Year”**

“Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(17) of the Act.

**“These Presents”**

“These Presents” means these Articles as modified from time to time.

**Unless the context otherwise requires, words and expressions contained in the Articles shall bear the same meaning as in the Act. The marginal notes used in these Articles shall not affect the construction hereof.**

**CAPITAL AND INCREASE AND REDUCTION OF CAPITAL**

3. The Authorized Share Capital of the Company shall be as stated in the Capital Clause of Memorandum of Association of the Company, with power to increase or reduce or modify the said capital and to divide the shares for the time being of the Company into several classes and to attach thereto preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided for by the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force. The Company shall be entitled to dematerialise its existing shares, reconvert its shares held by the depositories electronically to physical form and/or to offer its fresh shares in electronic form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any.

The Company shall have minimum paid up capital of such amount as prescribed by the Act for a public limited company for the time being.

**Increase of Capital of the Company and how carried into effect**

4. The Company, in its General Meeting, may, from time to time, increase its Capital by the creation of new Shares, such increase to be of such aggregate amount and to be divided into Shares of such amounts as the resolution shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the

General Meeting resolving upon the creation thereof shall prescribe and if no direction be given, as the Directors shall determine and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with and if the Act allows without, a right of voting at General Meetings of the Company, in conformity with Sections 87 and 88 of the Act.

Whenever the Capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 97 of the Act.

#### **Allotment otherwise than for cash**

5. Subject to the provisions of the Act and these Articles, the Directors 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.

#### **Additional Capital to form part of existing Capital**

6. Except so far as otherwise provided by the conditions of issue or by these presents, 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.

#### **Redeemable Preference Shares**

7. Subject to the provisions of Section 80, 85 and other applicable provisions of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

#### **Reduction of Capital**

8. The Company may (subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act), from time to time, by special resolution, reduce its Capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law, and in particular, Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

#### **Variation of Rights**

9. If at any time the Share Capital is divided into different classes of Shares, all or any of the rights and privileges attached to the Shares of any class may, subject to the provisions of Sections 106 and 107 of the Act, be varied, commuted, affected, dealt with or abrogated with the consent in writing of the holders of not less than three-fourths of the issued Shares of that class or with the sanction of a special resolution at a separate Meeting of the holders of the issued Shares of that class.

#### **Issue of further pari-passu Shares not to affect the right of Shares already issued**

10. The rights conferred upon the holders of the Shares of any class issued with preferred or any other rights shall not, unless, otherwise expressly provided by the terms of issue of that class, be deemed to be varied by the creation or issue of further Shares ranking pari-passu therewith.

#### **Power of Company to purchase its own shares**

11. Pursuant to a Resolution of the Board of Directors, the Company may purchase its own Shares by way of buy-back arrangement, in accordance with Section 77A of the Act and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended from time to time.

#### **Sub-division and consolidation of Shares**

12. Subject to the provisions of Section 94 of the Act, the Company in its General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division, one or more of such Shares shall have some preference or special advantage as regards dividend, Capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of Shares so cancelled. The cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of the Share Capital.

#### **SHARES AND CERTIFICATES**

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

13. The Shares in the Capital shall be numbered progressively according to their several denominations, provided however, that the provisions relating to progressive numbering shall not apply to the Shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form. Except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share held in material form shall continue to bear the number by which the same was originally distinguished.

##### **Shares at the disposal of the Directors**

14. Subject to the provisions of these Articles and the Act, 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 off the same or any one of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of the Act) at a discount and at such times as they may from time to time think fit and proper and with the sanction of the Company in General Meeting to give to any person the option to call for or allotted Shares of any class of the Company either at par or at premium or subject as aforesaid at a discount during such time and for such consideration and such option being exercisable at such times as the Directors think fit; and any Shares which may be so allotted may be issued as fully paid-up Shares and if so issued shall be deemed to be fully paid-up Shares. The Board shall cause to be filed the returns as to allotment provided for in Section 75 of the Act. Provided that the option or right to call of Shares shall not be given to any person except with the sanction of the Company in the General Meeting.

##### **Acceptance of Shares**

15. Any application signed by, or on behalf of, an applicant for Shares in the Company followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles; and every person who thus or otherwise accepts any Shares and whose name is entered in its Register of Members shall, for the purpose of these Articles, be a member of the Company.

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

16. The money (if any) which the Directors shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposits, call or otherwise, in respect of any Shares allotted by them, shall, immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.

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

17. Every member or his heirs, executors, administrators or other representatives, shall pay to the Company the portion of the Capital represented by his Share or Shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Directors shall, from time to time, in accordance with the Company's Regulations require or fix for the payment thereof.

### **Share Certificate**

18. a) Every member or allottee of shares shall be entitled without payment to receive certificate(s) specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid thereon, provided, however, no share certificate(s) shall be issued for shares held in dematerialized form with a Depository. Such certificate(s) shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issue against letters of advice or acceptance or of renunciation or in case of issue of bonus shares. Every such certificate shall be issued under the seal of the Company which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorneys and the Secretary or other person shall sign the share certificate. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of the issue and the amount paid thereon.
- b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate, the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rs. 100/- (Rupees One Hundred Only). The Company shall comply with the provisions of Section 113 of the Act.
- c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography; but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

### **Renewal of Share certificate**

19. a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, old, decrepit, worn out, or where the cages on the reverse for recording transfers have been fully utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.
- b) When a new Share certificate has been issued in pursuance of Clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No. \_\_\_\_\_ sub-divided/replaced/consolidated".
- c) If a Share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding Rs. 2/- (Rupees Two Only) as the Board may, from time to time, fix and on such terms, if any, as to evidence and indemnity as to payment of such out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.
- d) When a new Share certificate has been issued in pursuance of Clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "a duplicate issued in lieu of Share Certificate No. \_\_\_\_\_". The word "duplicate" shall be stamped or punched in bold letters across the face of the Share certificate.
- e) Where a new Share certificate has been issued in pursuance of Clause (a) or Clause (c) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the name or names of the person or persons to whom the Certificate is issued; the number and date of issue of the Share certificate in lieu of which the new certificate is issued and the necessary changes indicated in Register of Members by suitable cross reference in the "Remarks" column.
- f) All blank forms to be used for issue of Share certificates shall be printed and the printing shall be done only on the authority or a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purposes; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- g) The Directors of the Company and Company Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in sub-clause (f).
- h) All books referred to in sub-clause (g) shall be preserved in good order permanently.

### **Delivery of Share/Debenture Certificates**

20. The Company shall within three months after the allotment of any of its Shares or Debentures or Debenture-stock and within one month after the application for the registration of the transfer of any such Shares or Debentures or Debenture-stock, complete and have ready for delivery the certificates of all Shares, Debentures or Debenture stock allotted or transferred unless the conditions of issue of Shares or Debentures or Debenture-stock otherwise provided. The expression "transfer" for the purpose of this Article means, a transfer duly stamped and otherwise valid and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

### **Liability of Joint Holders**

21. If any Share stands out in the names of two or more persons, all the joint holders of the Share shall be severally as well as jointly liable for the payment of all deposits, installments and calls due in respect of such Shares, and for all incidents thereof according to the Company's Regulations, but the person first named in the Register shall, as regards receipt of dividend or bonus or service of notice, and all or any other matters connected with the Company, except voting at Meetings and the transfer of the Shares, and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.

### **Registered holder - only the owner of the Shares**

22. Except as ordered by a Court of competent jurisdiction or by law required, the Company shall be entitled to treat the person whose name appears in the Register of Members as the holder of any Share or whose name appears as the beneficial owner of Shares in the records of the Depository, as the absolute owner thereof and accordingly, shall not be bound to recognize any benami, trust or equity or equitable, contingent or other claim to or interest in such Share on the part of any other person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their discretion to register any Shares in the joint names of any two or more persons or the survivor or survivors of them.

### **Share Certificate for joint members**

23. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any Share except in the case of executors or trustees of a deceased member and in respect of a Share held jointly by several persons the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share to any one of the several joint holders shall be sufficient delivery to all such holders.

### **Underwriting and Brokerage Commission may be paid**

24. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person, in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) any Shares or Debentures of the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any Shares or Debentures in the Company. The Company may pay a reasonable sum for brokerage. However, the commission and the brokerage shall not exceed the maximum permissible limit mentioned/ specified under the Act.

### **Interest out of Capital**

25. Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any land, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that Share Capital as is for the time being Paid Up for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to Capital as part of the cost of construction of the works or buildings or provision of plant.

## **CALLS**

### **Directors may make calls**

26. The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed at a Meeting of the Board (and not by circular resolution) make such calls as it thinks fit upon the Members in respect of all monies unpaid on the Shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board. A call may be made payable by installments.

### **Notice of calls**

27. The Company shall give 15 (fifteen) days' notice in writing of any call specifying the time and place of payment, and the person or persons to whom such calls shall be made.

### **Calls to date from resolution**

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

### **Call may be revoked**

29. A call may be revoked or postponed at the discretion of the Board.

### **Liability of Joint Holders**

30. A joint-holder of a Share shall be jointly and severally liable to pay all calls in respect thereof.

### **Directors may extend time**

31. The Board may, from time to time, at its discretion, extend the time fixed for payment of any call and may extend such time as to all or any of the members who reside at a distance or for any other cause, the Board may deem fairly entitled to such extension; but no Member shall be entitled to such extension save as a matter of grace and favour.

### **Overdue calls to carry interest**

32. If any 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 such 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 and the Board shall be at liberty to waive payment of such interest either wholly or in part.

### **Sums deemed to be calls**

33. Any sum, which, by the terms of issue of a Share become 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 of the same becomes payable, and in the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

### **Proof on trial or suit for money on Shares**

34. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative to recover any moneys claimed to be due to the Company for any call or other sum in respect of his Shares, it shall be sufficient to prove:
- that the name of the Member, in respect of whose Shares the money is ought to be recovered, appears entered in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the said Shares;
  - that the resolution making the call is duly recorded in the minute books; and
  - that notice of such call was duly given to the Member or his legal representatives issued in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which such call was made, nor that the Meeting at which such call was made was duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the Company against the Member or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Member or his representatives against the Company that the name of such Member was improperly inserted in the Register or that the money sought to be recovered has actually been paid.

### **Part payment on account of call etc. not to preclude forfeiture**

35. 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 thereunder nor the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter forfeiting the Shares of a member for non-recovery of any moneys claimed to be due to the Company for any call or other sum in respect of such member's Shares.

### **Payment of unpaid Share Capital in advance**

36. a) The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any Member willing to advance the same, either in money or money's worth the whole or any part of the amount remaining unpaid on the Shares held by him beyond the sum actually called up and upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time and at any time thereafter exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances have been made, the Board may pay or allow interest at such rate as the Member paying such advance and the Board agree upon; provided always that if at any time after the payment of any such money, the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such Shares, unless there be an express agreement to the contrary; and after such repayment such member shall be liable to pay, and such Shares shall be charged with the payment of all future calls as if no such advance had been made; provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on installments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of Capital.
- b) No Member paying any such sum in advance shall be entitled to any voting rights, dividend or right to participate in profits in respect of money so advanced by him until the same would but for such payment become presently payable.

### **FORFEITURE AND SURRENDER OF AND LIEN ON SHARES**

#### **If money payable on Share not paid; notice to be given to Members**

37. If any Member fails to pay any call or installment of call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

#### **Terms of notice**

38. The notice shall name a day (not being earlier than the expiry of 14 (fourteen) days from the date of service of notice) and a place or places on and at which such call or installment and such interest thereon at such rate as the Directors shall determine from the day on which such call or

installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and the place appointed, the Share in respect of which the call was made or installment is payable will be liable to be forfeited.

**In default of payment, Shares may be forfeited**

39. If the requirements of any such notice as aforesaid are not complied with, every or any Share in respect of which such notice has been given, may at any time thereafter, but before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited Shares and not actually paid before the forfeiture.

**Notice of forfeiture**

40. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture or to any of his legal representatives, or to any of the persons entitled to the Shares by transmission and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members but no forfeiture, shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

**Forfeited Shares to become property of the Company and may be sold, etc.**

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

**Members still liable to pay money due notwithstanding the forfeiture**

42. Any member whose Shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, amounts, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof if it thinks fit.

**Effect of forfeiture**

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

**Surrender of Shares**

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

**Evidence of forfeiture**

45. A declaration in writing that the declarant is a Director or Secretary of the Company and that a Share in the Company has been duly forfeited in accordance with these Articles on the 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.

**Company's lien on Shares**

46. The Company shall have a first and paramount lien upon all the Shares, not being fully paid-up Shares, registered in the name of each Member (whether solely or jointly with another or others), and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares and no equitable interest in any Share shall be created except otherwise provided in these Articles. Any such lien shall extend to all dividends from time to time declared in respect of such Shares. Unless otherwise agreed, the registration of a transfer of Shares shall operate as a waiver of the Company's lien if any on such Shares. The Board of Directors may at any time declare any Shares to be exempt, wholly or partially from the provisions of this Article.

**Lien enforced by sale**

47. For the purpose of enforcing such lien, the Directors may sell the Shares subject thereto in such manner as they think fit and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members or some other person to execute a transfer thereof on behalf of and in the name of such member. No such sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof is presently payable or the liability in respect of which such lien exists is liable to be presently fulfilled or discharged and until notice in writing of the intention to sell shall have been served on such Member, or his heirs, executors, administrators, or other representatives or upon the persons (if any) entitled by transmission to the Shares or any one or more of such heirs, executors, administrators, representatives or persons, and default shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

**Application of sale proceeds**

48. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements and the residue (if any) paid to such Member, or any of his heirs, executors, administrators, representatives or assigns or any of the persons (if any) entitled by transmission to the Shares sold.

**Validity of sale under Articles**

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

**Cancellation of Share certificate in respect of forfeited Shares**

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

**Power to annual forfeiture**

51. The Board may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed off, annual the forfeiture thereof upon such conditions as it thinks fit.

**TRANSFER AND TRANSMISSION OF SHARES**

**Register of Transfers**

52. The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share held in material form.

**Form of transfer**

53. Shares in the Company shall be transferred by an instrument in writing in such form as prescribed under Section 108 of the Act or under rules made thereunder from time to time.

**To be executed by Transferor and Transferee**

54. The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require in order to prove the title

of the transferor and his right to transfer the Shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by an order of the Board.

The transferor shall be deemed to be the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the Shares must be delivered to the Company.

55. In the case of transfer or transmission of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996, shall apply.

**Directors may refuse to register transfers**

56. Subject to the provisions of Section 111 of the Act, the Board, may at its own absolute and uncontrolled discretion, and without assigning any reason, decline to register or acknowledge any transfer of Shares whether fully paid or not, (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of refusal to register such transfer. Provided that registration of a transfer shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except on Shares.

**Refusal to register transfer**

57. In particular and without prejudice to the generality of the above powers, the Board may subject to the provisions of Section 111 of the Act, decline to register in exceptional circumstances when it is felt that the transferee is not a desirable person from the larger point of view of the interest of the Company as a whole subject to the provisions of the Clause (c) of sub-section (4) of Section 22A of the Securities Contract (Regulation) Act, 1956.

**Sub-division/consolidation in marketable lots only**

58. Transfer of Shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a Share certificate into several scrips of any small denominations or to consider a proposal for transfer of Shares comprised in a Share certificate to several parties involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of Shares in violation of the stock exchange listing requirements on the ground that the number of Shares to be transferred is less than any specified number.

**Death of one or more joint-holders of shares**

59. Every holder of share(s) in and/or debenture(s) of the Company may at any time nominate in the manner prescribed under the Act, a person to whom his share(s) and/or debenture(s) of the Company shall vest in the event of his death. Where the share(s) and/or debenture(s) of the Company, are held by more than the one person jointly, all the joint-holders may together nominate in the manner prescribed under the Act a person to whom all the rights in the share(s) and/or debenture(s) of the Company, as the case may be shall vest in the event of death of all the joint holders. Notwithstanding anything contained in any other law for the time being in force or in these Articles or in any disposition, whether testamentary or otherwise, in respect of such share(s) and/or debenture(s) of the Company, where a nomination made in the manner prescribed under the Act purports to confer on any person the right to vest the share(s) and/or debenture(s) of the Company, the nominee shall on the death of the shareholder and/or debenture holder concerned or on the death of all the joint holders, as the case may be, become entitled to all the rights in relation to such share(s) and/or debenture(s) to the exclusion of all other person unless the nomination is varied cancelled in the manner prescribed under the Act. Where the nominee is a minor the holder of the share(s) and/or debenture(s) of the Company can make a nomination in the manner prescribed under the Act to appoint any person to become entitled to the share(s) and/or debentures(s) of the Company in the event of his death during the minority.

60. Any person who became a nominee by virtue of these Articles upon production of such evidence as may be required by the Board and subject as hereinafter provided may elect either:

- a) To be registered himself as holder of the share(s) and/or debenture(s) as the case may be, or;
- b) To make such transfer of the share(s) and/or debenture(s) as the case may be as the deceased shareholder and/or debenture holder as the case may be could have made.

61. If the person being a nominee so becoming entitled elects to be registered as holder of the share(s) and/or debenture(s) himself he shall deliver or send to the Company, notice in writing duly signed by him stating that he so elects and such notice shall be accompanied with the notarised copy of the death certificate of the deceased shareholder and/or debenture holder, as the case may be.

62. All the limitation, restriction and provisions of the Act relating to the right to transfer and the registration of transfer of share(s) and/or debenture (s) shall be applicable to any such notice or transfer as aforesaid as if the death of the share holder/debenture holder had not occurred and the notice or transfer were a transfer signed by that shareholder and/or debenture holder as the case may be.

63. A person, being nominee becoming entitled to the share(s) and/or debenture(s) by reason of the death of the shareholder and/or debenture holder, shall be entitled to the same dividend and other advantage to which he would be entitled, if, he was the registered member in respect of his share(s) and/or debenture(s) expect that he shall not, before being registered a member in respect of his share(s) or debenture(s) be entitled in respect of it to exercise any right conferred by membership in relation to meeting 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(s) and/or debenture(s) and if the notice is not complied with within ninety days, the Board may hereinafter withhold payment of all dividend bounces or other moneys payable in respect of the share(s) and/or debenture(s) until the requirement of the notice have been complied with.

**No transfer of shares to insolvent, etc.**

64. No Share shall in any circumstances, be transferred to any insolvent or person of unsound mind.

**Registration of person entitled to Shares otherwise than by transfer**

65. Subject to the provisions of the Act and these Articles, any person becoming entitled to Shares in consequences of death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Shares or elect to have some persons nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares.

**Persons entitled may receive dividends without being registered as members**

66. A person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the Shares.

**Fee on Transfer or Transmission**

67. There shall be paid to the Company, in respect of the transfer or transmission of shares, such fee, if any, as the Board may require.

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

68. 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 of Members) to the prejudice of a person or persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have any notice of

such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

## **BORROWING POWERS**

### **Power to Borrow**

69. Subject to the provisions of Sections 58A, 292 and 293 of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a Meeting of the Board accept deposits from Members, either in advance of call or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid Up Capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

### **The payment or repayment of monies borrowed**

70. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a Meeting of the Board (and not by Circular Resolution) by the issue of debentures 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, and debentures, and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

### **Terms of issue of debentures**

71. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they or any part of them 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) General Meetings, appointment of Directors and otherwise. Debentures with a right to conversion or allotment of Shares shall be issued only with the consent of the Company in General Meeting.

### **Register of Mortgages, etc. to be kept**

72. The Board shall cause a proper register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act, in that behalf to be duly complied with (within the time prescribed by the said sections of such extensions thereof as may be permitted by the Company Law Board or the Court or the Registrar as the case may be) so far as they fail to be complied with by the Board.

### **Register and Index of Debenture holders**

73. The Company, if, at any time issues debentures, shall keep a Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Debenture-holders resident in that State or Country.

## **SHARE WARRANT**

### **Power to issue Share warrants**

74. The Company may issue Share warrants subject to, and in accordance with the provisions of Section(s) 114 and 115 and accordingly the Board may in its discretion, with respect to any Share which is fully paid-up on application in writing signed by the persons 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 on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a Share warrant.

### **Deposit of Share warrant**

75. 1) The bearer of a Share warrant may at anytime deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a Meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any Meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the Share included in the deposited warrant.  
2) Not more than 1 (one) person shall be recognised as depositor of the Share warrant.  
3) The Company shall, on 2 (two) days' written notice, return the deposited Share warrant to the depositor.

### **Privileges and disabilities of the holders of Share warrant**

76. 1) Subject as herein otherwise expressly provided, no person shall, as bearer of a Share warrant, sign a requisition for calling a Meeting of the Company, or attend or vote or exercise any other privileges of a Member at a Meeting of the Company, or be entitled to receive any notices from the Company.  
2) The bearer of a Share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the Share included in the warrant, and shall be a Member of the Company.

### **Issue of new Share Warrant or Coupon**

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

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

### **Shares may be converted into stock**

78. The Company in General Meeting may convert any paid-up Shares into stock; and when any Shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein, or any part of such interest, in the said manner and subject to the same Regulations as, and subject to which Shares from which the stock arose might have been transferred if no such conversion had taken place, or as near thereto as circumstance will admit. The Company may at any time reconvert any stock into paid-up Shares of any denomination.

### **Right of stockholders**

79. 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.

## **MEMBERS' MEETINGS**

### **Annual General Meeting**

80. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All general meetings other than Annual General Meeting shall be called Extraordinary General Meetings. Annual General Meeting of the Company shall be called within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions



of Section 166(1) of the Act to extend the time within which an Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. In terms of the provisions of Section 171 of the Act, a General Meeting may be called by giving not less than 21 (twenty-one) days notice in writing. Subject to provisions of Sub-Section 2 of Section 171 of the Act, a General Meeting may be called after giving shorter notice than 21 (twenty-one) days, if consent is accorded thereto (i) in the case of an Annual General Meeting, by all the members entitled to vote thereat; and (ii) in the case of any other meeting, by members of the Company holding, not less than 95 (ninety-five) per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any Annual General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company, there shall be laid on the table the Directors Report and Audited Statements of Accounts, the Auditors Report (if not already incorporated in the Audited Statement of Accounts) the Proxy Register with proxies and the Register of Directors Shareholdings which shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the provisions of Sections 159, 161 and 220 of the Act.

#### **Extraordinary General Meeting**

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

#### **Requisition of members to state Objects of Meeting**

82. Any valid requisition so made by the Members must state the object or objects of the Meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists.

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

83. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting and if it does not proceed within twenty-one days from the date of the requisition being deposited at the Office to cause a Meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up Share Capital held by all of them or not less than one-tenth of such of the paid-up Share Capital of the Company as is referred to in Section 169 (4) of the Act, whichever is less, may themselves call the Meeting, but in either case any Meeting so called shall be held within three months from the date of deposit of the requisition as aforesaid.

#### **Meeting called by requisitionists**

84. Any Meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which Meetings are to be called by the Board.

#### **Quorum at General Meeting**

85. Five members present in person shall be a quorum for a General Meeting.

#### **Body corporate personally present**

86. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.

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

87. If, at the expiration of half an hour from the time appointed for holding a Meeting of the Company, a quorum shall not be present, the Meeting it convened by or upon the requisition of Members, shall stand dissolved, but in any other case the Meeting shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place within the city or town in which the Office of the Company is situate as the Board may determine, and if at such adjourned Meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum, and may transact the business for which the Meeting was called.

#### **Chairman of General Meeting**

88. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Director, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair then the Members present shall elect another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the Chair, then the Members present shall elect one of their members to be the Chairman.

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

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

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

90. The Chairman, with the consent of the Meeting, may adjourn any Meeting from time to time and from place to place within the city or town in which the office of the Company is situated for the time being 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.

#### **Decisions/Matters at General Meeting how decided**

91. a) At any General Meeting, a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by a member or members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than 1/10th of the total voting power in respect of the Resolution or on which an aggregate sum of not less than Rs. 50,000/- (Rupees Fifty Thousand Only) has been Paid Up. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Unless a poll is so demanded a declaration by the Chairman that a resolution has, on show of hands, been carried or carried unanimously or by a particular majority or lost; and an entry to that effect in the Minutes Book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- b) Any poll duly demanded on the election of the Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith. If a poll is demanded as aforesaid the same shall subject to these Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
- c) Where a poll is to be taken the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.

#### **Chairman's casting vote**

92. In the case of any equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the votes to which he may be entitled as a Member. In case of any dispute as to the admission or rejection of any vote, the Chairman's decision shall be final and conclusive.

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

93. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.

#### **Member in arrears not to vote**

94. No member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.

#### **Number of votes to which member entitled**

95. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of Shares for the time being forming part of the Capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present and to speak and vote at such Meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting rights of every member whether present in person or by proxy, shall be in proportion to his Share of the paid-up equity Capital of the Company.

#### **Casting of votes by a member entitled to more than one vote**

96. On a poll taken at a Meeting of the Company, a member entitled to more than one vote, or his proxy, or other person entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

#### **Votes of members of unsound mind and minors**

97. 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 hand 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 is a minor, the votes in respect of his Share or Shares shall be by his guardian or any of his guardians, if more than one, to be elected in case of dispute by the Chairman of the Meeting.

#### **Votes of Joint members**

98. If there be joint registered holders of any Shares, any one of such persons may vote at any Meeting or may appoint another person (whether a Member or not) as his proxy in respect of such Shares as if he were solely entitled therein but the proxy so appointed shall not have any right to speak at the Meeting and, if more than one of such joint-holders be present at any Meeting, that one of the said person so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such Shares, but the other or others of the joint-holders shall be entitled to be present at the Meeting. Several executors or administrators of a deceased member in whose names Share stand shall, for the purpose of these Articles, be deemed joint holders thereof.

#### **Voting in person or by proxy or through Electronic Mode**

99. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
100. Decisions entrusted to the General Meeting by the Articles of Association may be made from outside of a meeting by means of electronic voting (E-voting); decisions made by electronic voting are deemed decisions of the General Meeting. The Board of Directors may invite members to vote on proposed resolutions by electronic means. The Board may decide voting period for electronic voting from the date of publication of such an invitation. The quorum required under Section 174 of the Act as well as the Chairman of the meeting shall have to be physically present at the place of the Meeting. Such Board Meeting must be conducted according to the procedure prescribed by the Central Government from time to time.

#### **Votes in respect of Shares of deceased or insolvent members**

101. Any person entitled to transfer any Shares held by another person pursuant to these Articles may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares, provided that at least 48 hours before the time of holding the Meeting or adjourned Meeting as the case may be at which he proposed to vote, he shall satisfy the Directors of his right to transfer such Shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.

#### **Appointment of proxy**

102. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or an Attorney duly authorised by it and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the Meeting.

#### **Proxy either for a specified Meeting or for specified period**

103. An instrument of proxy may appoint a proxy either for purpose of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every Meeting of the Company, or of every Meeting to be held before the date specified in the instrument and any adjournment of any such Meeting.

#### **No proxy to vote on a show of hands**

104. A member present by proxy shall be entitled to vote only on a poll and not on a show of hands.

#### **Deposit of instrument of proxy**

105. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office not later than 48 (forty eight) hours before the time for holding the Meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 (twelve) months from the date of its execution.

#### **Form of proxy**

106. Every instrument of proxy, whether for specified Meeting or otherwise, shall, as nearly as circumstances will admit, be, in any of the forms set out in Schedule IX of the Act.

#### **Validity of votes given by proxy notwithstanding death of member**

107. 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 revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Registered Office before the Meeting.

#### **Time for objection to vote**

108. No objection shall be made to the validity of any vote except at any Meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.

#### **Chairman of the Meeting to be the judge of validity of vote**

109. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the Meeting at which a poll is directed shall be the sole judge of the validity of every vote tendered at such poll.
110. a) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorised by the Board for the purpose.
- c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- e) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meeting.
- f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is or could necessarily be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) detrimental to the interest of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- g) Any such minutes shall be the evidence of the proceedings recorded therein.
- h) The book containing the minutes of proceedings of General Meeting shall be kept pursuant to the provisions of Section 196 of the Act and shall be open during business hours, for such periods as the Directors may determine, for the inspection of any member without charge.

#### **Passing of resolution by Postal Ballot**

111. Subject to and in accordance with the provisions of Section 192A of the Act and the rules made thereunder, the Company may, and in case of resolution relating to such business as the Central Government may by notification decide to be conducted only by postal ballot shall get any resolution passed by means of a postal ballot instead of transacting the business at a General Meeting of the Company.

#### **DIRECTORS**

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

112. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of the Directors (including Debentures Director(s), Nominee Director(s) and Alternate Director(s)) shall not be less than three or more than twelve. The present Directors of the Company are:
- a) Mr. Vivek Dattatraya Dharm
- b) Mr. Bhopinder Jagdish Mittar Chopra
- c) Mr. Subhash Shripad Nabar

##### **Non retiring Directors**

113. The Board may appoint, from time to time, one or more of their members to be the Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director or Manager of the Company on such terms and on such remuneration (whether by way of salary or commission, or partly in one and partly in another) as they may think fit and the directors so appointed shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination *ipso facto* if they cease from any cause to be a director or if the Company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director or Manager be determined.
114. Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary all or any of such powers.

##### **Appointment of special Directors**

115. On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as "**the appointer**") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

##### **Director appointed by Financial Institutions/Nominee Directors**

116. Notwithstanding anything to the contrary contained in these Articles, so long as moneys remain owing by the Company to the Public Financial Institutions as defined under Section 4A of the Act (hereinafter in this Article referred to as "**the Corporation**") out of any loans/debenture assistance granted by them to the Company or so long as the Corporation holds or continue to hold debentures/shares in the Company as result of under writing or by subscription or private placement, or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or directors, whole-time or non whole-time (which Director or directors is/are hereinafter referred to as "**Nominee Directors**") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or her or their places. The Board of Directors of the Company shall have no power to remove office of the Nominee Directors. At the option of the Corporation such Nominee directors shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation such Nominee Directors shall not be liable to retirement by rotation of Directors. The company agrees that if the Board of Directors of the Company has constituted or proposes to constitute any management committee or other committee (so it shall, if so required by the Corporation include the Nominee Director as a member of such management committee or other committees. Subject as aforesaid the Nominee Directors shall be entitled to the same rights and privileges and be subject to the same obligations as any other director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any money remains owing by the Company to the Corporation or so long as the Corporation hold or continues to hold debentures/ shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall vacate such office, immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnishing by the Corporation. The Nominee Director/s is/are appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are, member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Nominee Director/s shall be entitled to the same sitting fees, commission, remuneration and expense as are applicable to other Directors, but the commission, remuneration or other monies and fees to which the Nominee Director/s is/are entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation.

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

An expense that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s. Provided also that in the event of the Nominee Director being appointed as whole-time director/s, the Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such right as are usually exercised or available to a whole-time Director in the Management of the affairs of the Company. Such whole-time director/s shall be entitled to receive such remuneration, fees, commission, and monies as may be agreed between the Corporation and the Board of Directors.

#### **Debenture Directors**

117. If it is provided by any Trust Deed, security or otherwise, in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director or Directors of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director or Directors accordingly. Any Director so appointed is herein referred to as "**Debenture Director**". A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification Shares. A Debenture Director shall not if so agreed by the Company be liable to retire by rotation; but shall automatically cease to hold office as a Director if and when the debentures are fully discharged.

#### **Power to appoint Additional Director**

118. Subject to the provisions of Section 260 and 264 of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed under the Act. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.

#### **Power to fill casual vacancies**

119. Subject to the provisions of Section 264 and 284(4) of the Act, the Board shall have power at any time and from time to time to appoint any other person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

#### **Alternate Directors**

120. The Board may appoint an alternate director to act for a director (hereinafter called "**original director**") during his absence for a period of not less than 3 (three) months from the state in which Meetings of the Board are ordinarily held. An alternate director appointed under this Article shall not hold office as such for a period longer than that permissible to the original director and shall vacate office if and when the original director returns to the state aforesaid. If the term of office of original director is determined before he so returns to the state aforesaid any provision for automatic re-appointment of retiring directors in default of another appointment shall apply to the original and not to the alternate director.

#### **Qualification Shares of Directors**

121. A Director shall not be required to hold any qualification Shares.

#### **Remuneration of Directors**

122. a) Subject to the provisions of the Act, the Chairman or a Managing Director or Manager or Director, who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- b) Subject to the provisions of the Act, a Director other than the Chairman or a Director in the whole-time employment or a Managing Director or Manager may be paid remuneration either:
- by way of monthly, quarterly or annual payment; or
  - by way of commission.
- c) The fee payable to a Director (including the Chairman or a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time and should not exceed Rs. 20,000/- (Rupees Twenty Thousand Only) or such fees that may be prescribed by the Central Government under the proviso to Section 310 of the Act.

#### **Travelling expenses incurred by Director not a bonafide resident or by Director going out on Company's business**

123. The Board may allow and pay to any Director, who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.

#### **Directors may act notwithstanding any vacancy**

124. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by these Articles hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

#### **When office of Directors to become vacant**

125. Subject to the provisions of Section 283(2) and 314 of the Act, the office of a Director shall become vacant if:
- he is found to be of unsound mind by a Court of competent jurisdiction; or
  - he applies to be adjudicated as an insolvent; or
  - he is adjudged an insolvent; or
  - he fails to pay any call made on him in respect of the shares held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
  - he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or
  - he becomes disqualified by an order of the Court under Section 203 of the Act; or
  - he is removed in pursuance of Section 284 of the Act; or
  - he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private Company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or
  - he acts in contravention of Section 299 of the Act; or

- j) he is convicted by a Court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
- k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceases to hold such office or other employment in the company; or
- l) he resigns his office by a notice in writing.

**Director may contract with Company**

126. a) A Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or director may enter into any contract with the Company for sale, purchase or supply of any goods, materials, or services, or for underwriting the subscription of any shares in, or debentures of the Company provided that the sanction of the Board is obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.
- b) No sanction shall, however, be necessary for:
- i) any purchase of goods and materials from the Company, or the sale of goods or materials to the Company, by any such Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
  - ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other side for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative firm, partner or private company, as the case may be regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed sum specified in Section 297 of the Act, in the aggregate in any year comprised in the period of the contract or contracts. Provided that in circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds such sum specified in Section 297 of the Act, in the aggregate in any year comprised in the period of the contract if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

**Disclosure of interest**

127. A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act, provided that it shall not be necessary for a director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

**General Notice of Interest**

128. A general notice given to the Board by the Director to the effect that he is a director or a member of specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

**Interested Directors not to participate or vote in Board's proceedings**

129. No Director shall as a director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, his vote shall be void, provided however, that nothing herein contained shall apply to:
- a) any contract of indemnity against any loss which the Directors or anyone or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
  - b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:
    - i) in his being:
      - a) a director of such company; and
      - b) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the company; or
    - ii) in his being a member holding not more than 2% of its paid-up share capital.

**Register of contracts in which Directors are interested**

130. The Company shall keep a Register in accordance with the provisions of Section 301(1) of the Act, and shall within the time specified in Section 301(2) of the Act, enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies corporate and firms of which notice has been given by him. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

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

131. A Director may be or become a Director of any company promoted by the Company or in which it may be interested as vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as a director or shareholder of such company except as provided in Section 209(6) or Section 314 of the Act.

**Retirement and Rotation of Directors**

132. At every Annual General Meeting of the Company, one third of such of the Directors for the time being as are liable to retire or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. Any Director appointed under Article 113, 115, 116 and 117 shall not be subject to retirement under this Article and shall not be taken into account in determining number of Directors to retire.

**Determination of Directors retiring by rotation and filling of vacancies**

133. Subject to Section 256(2) of the Act, Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

**Eligibility for re-election**

134. A retiring Director shall be eligible for re-election.

135. The Company at the General meeting at which a Director retires by rotation, the retiring Director shall be deemed to have been re-appointed under the circumstances referred to in Section 256(4) of the Act.

**Provision in default of appointment**

136. a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:
- i) at that meeting or at the previous meeting resolution for that re-appointment of such Director has been put to the meeting and lost;
  - ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be re-appointed;
  - iii) he is not qualified or he is disqualified for appointment;
  - iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
  - v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.

**Company may increase or reduce the number of Directors**

137. Subject to Section 259 of the Act, the Company may by an Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may, subject to the provisions of Section 284 of the Act, remove any director before the expiration of his period of office and appoint another person in his place. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

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

138. a) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some members intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office along with a such deposit, as prescribed by the Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.
- b) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- c) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or reappointed as an Additional Director/Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless the Company has filed with the Registrar his consent in writing to act as such Director within 30 days of his appointment.

**Register of Directors etc. and notification of change to Registrar**

139. The Company shall keep at its Registered Office a Register containing the particulars of its Directors, Managing Directors, Managers, and other persons mentioned in Section 303 of the Act, and shall otherwise comply with the provisions of the said Section in all respect.

**Register of shares or debentures held by the Directors**

140. The Company shall keep at its Registered Office a Register, as required by Section 307 of the Act providing details of shares in and debentures of the Company held by the Directors and shall otherwise duly comply with the provisions of the said Section in all respects.

**Disclosure by director of his appointment in any other body corporate**

141. Every Director [including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act], Managing Director, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the above office in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.

**Disclosure by a Director of his holding of shares and debentures of the Company, etc**

142. Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.

**MANAGEMENT**

**Board may appoint Chairman, Managing Director and Manager**

143. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint / re-appoint from time to time any of its members as Chairman, Managing Director or Manager of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, the Board may by resolution vest in such Chairman, Managing Director or Manager such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Chairman, Managing Director or Manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act. The Chairman, the Managing Director and the Manager shall not be required to retire by rotation notwithstanding anything contained in this Article where no Chairman is appointed as such, the Board of Director may elect, from time to time, any of its members, as Chairman who shall be subject to retirement by rotation. Subject to the provisions of the Act and of these Articles, the Board shall have the power to nominate from time to time, any of its members as Vice-Chairman on such terms and conditions as the Board thinks fit. The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Director" or "Deputy Managing Directors", as the case may be, and accordingly the expression "Managing Director" shall also include and be deemed to include "Joint Managing Director" or "Deputy Managing Director" as the case may be.

**Managing Director and Whole-time Director to report to the Board of Directors**

144. The Managing Director or Manager or Directors who are in the whole-time employment in the Company shall be subject to supervision and control of the Board of Directors of the Company.

**Restriction on management**

145. The Chairman or Managing Director or Manager shall not exercise the powers to:
- a) make calls on shareholders in respect of money unpaid on the shares in the Company;
  - b) issue debentures; and
  - c) except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act shall also not exercise the powers to:
    - i) borrow moneys otherwise than on debentures;
    - ii) invest the funds of the Company; and
    - iii) make loans.

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

146. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Chairman or Managing or Whole-time Director who:
- is an undischarged insolvent or has any time been adjudged an insolvent;
  - suspends or has at any time suspended payment to his creditors or makes or has at any time made, a composition with them, or
  - is or has at any time, been, convicted by a Court of an offence involving moral turpitude.

**Special position of Chairman, Vice Chairman and Managing Directors**

147. If Chairman, Vice-Chairman, Managing Director, Joint Managing Director or Deputy Managing Director ceases to hold the office of Director, he shall *ipso facto* and immediately cease to be a Chairman, Vice-Chairman, Managing Director, Joint Managing Director or Deputy Managing Director as the case may be.

**PROCEEDINGS OF THE BOARD OF DIRECTORS**

**Meetings of Directors**

148. The Directors may meet together as a Board for the purpose of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit. Any meeting of the Board of Directors may be held by participation of the Directors of the Board through teleconferencing or video conferencing and such meeting shall be valid if the minutes of such meeting has been approved and signed subsequently by the Chairman of such meeting.

**Notice of Meetings**

149. Notice of every meeting of the Board shall be given by the Secretary of the Company, if any, or by any person or persons nominated by the Board or by the Managing Director/Manager or Chief Executive Officer, in writing to every Director at his usual address. Such notice may be sent by hand delivery, post, courier, email or any other electronic communication technology depending upon the circumstances.

**Quorum**

150. Subject to the provisions of Section 287 of the Act, the quorum for a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher provided that where at any time the number of interested Directors exceeds or is equal to two-third of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

**Adjournment of meeting for want of quorum**

151. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

**When meeting to be convened**

152. The Secretary shall as and when directed by the Directors to do so, convene a meeting of the Board by giving a notice in writing to every Director.

**Chairman, Vice Chairman**

153. The Chairman shall be the Chairman of the Board. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same or if the Chairman is unable or unwilling to take the chair, the Vice-Chairman shall be entitled to take the chair at such meeting. If there be no such Chairman and / or Vice-Chairman or if he / they are unable or unwilling to take the chair, or if he / they are not present within fifteen minutes of the time appointed for holding the meeting, then the Directors present may choose any one of their number to be the Chairman of the meeting.

**Decisions/ Matters at Board Meetings**

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

**Powers of Board of Directors**

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

**Directors may constitute Committee**

156. Subject to the restriction contained in Section 292 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of such Member or Members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

**Meeting of Committee how to be governed**

157. The meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under these Articles.

**Resolution by circulation**

158. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, by the Secretary of the Company, if any, or by any person or persons nominated by the Chairman/Managing Director/Manager, 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 for a meeting of the Board or Committee, as the case may be), and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

**Acts of Board or Committee valid notwithstanding informal appointment**

159. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as if every such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

**Minutes of proceedings of the Board meetings**

160. a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.

- b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- f) The minutes shall also contain:
  - i) The names of the Directors present at the meeting; and
  - ii) In the case of each resolution passed at the meeting, the names of the Directors if any, dissenting from, or not concurring in the resolution.
- g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;
  - i) is or could reasonably be regarded as defamatory of any person;
  - ii) is irrelevant or immaterial to the proceedings; or
  - iii) is detrimental to the interest of the Company.
 The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.
- h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

#### **Powers of Board of Directors**

161. 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 Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company accorded by an Ordinary Resolution:
- a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole of any such undertaking;
  - b) remit, or give time for the repayment of, any debt due by a Director;
  - c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertakings as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
  - d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose. Provided further that the powers specified in Section 292 of the Act shall subject to these Articles be exercised only at meeting of the Board unless the same be delegated to the extent therein stated; or
  - e) contribute to charitable and other trusts not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year exceed twenty-five thousand rupees or five percent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

#### **Certain powers of the Board**

162. a) Without prejudice to the general powers conferred by the preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say power to adopt all preliminary contracts, if any, entered into by the promoters either by entering into a contract or otherwise with any other person, firm or company on behalf of the Company by way of ratification or substitution and to remunerate person or company for services rendered or to be rendered for the formation or promotion of the Company or for the acquisition of any property, licence, trademarks, letter of intent, allotments, know-how or similar thing by the Company.
- b) Without prejudice to the generality of the foregoing, upon the adoption of preliminary contracts, if any, entered into by and between the promoters and any other persons as provided herein, the Board shall have power in its absolute discretion to issue and allot fully paid Equity or Preference Shares of the Company or by issue of Fully and/or Partly paid Convertible / Non-Convertible Debentures or such other Securities or partly by one and partly by other, in any combination, in one or more tranches may be thought fit by the Board, for consideration in cash or otherwise than in cash to the Promoters or to any other person in terms of the agreement that may be entered into between the Company and the Promoters or to any other person including:
- i) To pay cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
  - ii) To enter into contracts for the acquisition of fixed assets, net current assets, selling rights etc and to enter into non-compete agreements with any other person, firm or company on behalf of the Company by way of ratification or substitution and to remunerate person or company for services rendered or to be rendered or for the acquisition of any property, licence, trademarks, letter of intent, allotments, know how or similar thing by the Company and for the purpose to pay for such consideration as may arise therefrom by issue of fully paid Equity or Preference Shares of the Company or by issue of Fully and/or Partly paid Convertible / Non-Convertible Debentures or partly by one and partly by other, in any combination, in one or more tranches as the Board may deem fit.
  - iii) To pay and charge to the capital account of the Company any commission, brokerage or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.
  - iv) Subject to the provisions of Sections 292 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
  - v) At their discretion and subject to provisions of the Act to pay for any property, rights, or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
  - vi) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.



- vii) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- viii) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.
- ix) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and or any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon.
- x) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- xi) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- xii) Subject to the provisions of Section 292, 295 and 372A and other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.
- xiii) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit, of the Company, such indemnity and/or mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- xiv) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give them necessary authority for such purpose.
- xv) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.
- xvi) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or any connection of such persons, by building or contributing to the building of houses, dwellings, or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments or by creating, and from time to time subscribing or contributing to provident fund and other associations, institutions, funds, trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospital and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee to charitable, benevolent, religious, scientific, national or institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.
- xvii) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or for repayment of debenture or debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending, and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, invest the several sums to set aside for so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or Division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debenture or Debenture Stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum.
- xviii) To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, executives, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified localities in India or elsewhere in such manner as they think fit and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- xix) To comply with the requirements of any local law, which in their opinion shall be in the interests of the Company, necessary or expedient to comply with.
- xx) From time to time and at any time to establish any local Board for managing any of the affairs of the company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards, and to fix their remuneration.
- xxi) Subject to the provisions of Section 292 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorise the members for the time being of the Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- xxii) At any time and from time to time by power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in/or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits, authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees, or managers of any company or firms or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretion for the time being vested in them.
- xxiii) Subject to the provisions of Section 294 and 297 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

xxiv) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company its officers and servants.

#### **COMPANY SECRETARY**

##### **Company Secretary**

163. The Directors may from time to time appoint, and, at their discretion, remove any individual to perform any functions, which by the Act are to be performed by the Secretary as defined under Section 2(45) of the Act, and to execute any other purely ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors (hereinafter called "the Company Secretary"). The Directors may also at any time appoint some person (who need not be the Company Secretary) to keep the registers required to be kept by the Company.

#### **THE SEAL**

##### **The seal, custody and use**

164. a) The Board 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 of the same, and the Board shall provide for the safe custody of the seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board.
- b) The Company shall also be at liberty to have an official seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

##### **Deeds how executed**

165. Every Deed or other instrument, to which the seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by one Director and Secretary or some other person appointed by the Board for the purpose PROVIDED THAT in respect of the Share Certificate the Seal shall be affixed in accordance with Article 18 (a).

#### **DIVIDENDS**

##### **Dividends**

166. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the members, in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively and in proportion to the date of payment or credit.

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

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

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

168. No dividends shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed or out of both provided that:

- a) if the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
- b) if the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or against both.

##### **Interim dividend**

169. The Board may from time to time, pay to the Members such interim dividends as in their judgement the financial position of the Company justifies.

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

170. Where Capital is paid in advance of calls such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

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

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

##### **Retention of Dividends until completion of transfer of shares**

172. The Board may retain the dividends payable upon shares in respect of which any person is, under these Articles is entitled to become a Member or which any person is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.

##### **Dividend etc. to joint-holders**

173. Any one of several persons who is registered as the joint-holder of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

##### **No member to receive dividend whilst indebted to the Company, and Company's right of reimbursement thereof**

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

##### **Right to Dividend, rights shares and bonus shares to be held in abeyance pending registration of transfer of shares**

175. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the company, it shall:

- a) transfer the dividend in relation to such shares to the special account referred to in Section 205A of the Act, unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and
- b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) of sub-section (1) of Section 81 and any issue of fully paid up bonus shares in pursuance of sub-section (3) of Section 205 of the Act.

##### **Dividends how remitted**

176. Unless otherwise directed any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or by electronically crediting the bank account of the member or by warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

##### **Unclaimed dividend**

177. No unclaimed dividend shall be forfeited and the same shall be dealt with in accordance with the provisions of Section 205A, 205B, and 206A or other provisions, if any, of the Act, as may be applicable, from time to time.

#### **No interest on dividends**

178. No unpaid dividend shall bear interest as against the Company.

#### **Dividend and call together**

179. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the member, be set off against the calls.

#### **Capitalisation**

180. a) The Company in General Meeting may by a Special Resolution resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Account or Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Shares Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised value or sum or fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purpose of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.
- b) A General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge may be distributed among the members on the footing that they receive the same as capital.
- c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than Rs. 10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties and may vest any such cash or the specific assets in trustees upon such trusts for the person entitled to the dividends or capitalised funds as may seem expedient to the Board. Where requisite, a proper return shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

#### **ACCOUNTS**

##### **Directors to keep true accounts**

181. The Company shall keep at the Registered Office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 209 of the Act with respect to:

- a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
- b) all sales and purchases of goods by the Company;
- c) the assets and liabilities of the Company; and
- d) the particulars relating to utilization of material or labour or to other items of cost as may be prescribed if required under the Act.

In case, the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company, the same shall be in compliance with the provisions of the Act. The Company shall preserve in good order the Books of Accounts relating to a period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Accounts. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Accounts relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns, made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Accounts are kept as aforesaid. The Books of Accounts shall give a true and fair view of the state of the affairs of the Company or branch office, as the case may be and explain its transactions. The Books of Accounts and other books and papers shall be open for inspection by any Director during business hours.

##### **As to inspections of accounts or books by Members**

182. The Board shall from time to time determine whether and to what extent and what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open for inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by the law or authorised by the Board.

##### **Statement of Accounts to be furnished to General Meeting**

183. The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheets, Profit and Loss Accounts and Reports as are required by these Sections.

##### **Copies shall be sent to each Member**

184. Subject to the provisions of Article 80 of these Articles, a printed or soft copy (to those who have registered their email addresses with the Company/Registrar and Share Transfer Agent/Depository) of every balance sheet (including every document required by law to be annexed or attached thereto) which is to be laid before the members in the Annual General Meeting together with a copy of the Auditors' Report or a statement containing salient feature of such documents in the prescribed form, as laid down under Section 219 of the Act as the Company may deem fit, shall not less than twenty one days before the date of the Meeting, be sent to every person entitled thereto pursuant to the provisions of the said Sections of the Act.

185. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in general meeting shall be conclusive except as regards any matters in respect of which modifications may from time to time be considered proper by the Board of Directors and approved by the shareholders at a general meeting.

#### **Auditors**

186. Auditors shall be appointed and their rights and duties be regulated in accordance with the provisions of Sections 224 to 233 of the Act.

#### **DOCUMENTS AND NOTICES**

##### **Service of documents or notices on Members by Company**

187. a) A document or notice may be served or given by the Company to any member either personally or by sending it by post or private courier or by any mean of electronic communication to him to his registered address or (if he has no registered address in India) to the address if any in India supplied by him to the Company for serving documents or notice on him. Simultaneously, with the despatch of the notice or documents as the case may be, confirmation of the same shall be forwarded to all those members of the Company who may be outside India.
- b) Where a document or notice is sent by post or private courier or through electronic communication, service of the document or notice shall be deemed to be effected by properly provided that where a member has intimated to the Company in advance that documents and notices

should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and, such service shall be deemed to have been effected in the case of a Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

- c) Where a document or notice is sent by any means of electronic communication, service of the document or notice shall be deemed to be effected by properly addressing a letter containing the document or notice to his last known electronic address, provided that where a member has intimated to the company in advance that documents and notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and, such service shall be deemed to have been effected in the case of a Notice of a meeting, at the expiration of one hour after the letter containing the document or notice is electronically transmitted and in any other case at the time at which the letter would be electronically accessed by the recipient in the ordinary course.

#### **By advertisement**

188. A document or notice advertised in a newspaper circulating in the neighbourhood of the Registered Office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notice to him.

#### **On joint-holders**

189. A document or notice may be served or given by the Company on or to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holder named first in the Register of the Members in respect of the share.

#### **On personal representatives etc.**

190. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose but the persons claiming to be entitled or until such an address has been so supplied by serving the document, or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

#### **To whom documents or notice must be served or given**

191. Documents or notices of every General Meeting shall be served or given in some manner herein before authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor or Auditors for the time being of the Company.

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

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

#### **Documents or notice by Company and signature thereto**

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

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

194. All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Registered Office by post under a certificate of posting or by leaving it at the Registered Office.

#### **WINDING UP**

195. The Liquidator on any winding-up (whether voluntary, under supervision of the Court or compulsory) may with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributors in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributors as the liquidator, with the like sanction, shall think fit.
196. If upon the winding up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid on the shares at the commencement of the winding up held by them respectively, other than the amount paid in advance of calls. If the surplus assets shall be sufficient to repay the whole of the paid up, ought to have been paid up at the commencement of the winding up on the shares held by them respectively, other than the amount paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be constructed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.

#### **INDEMNITY AND RESPONSIBILITY**

197. Every officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all 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 discharged or in connection with any application under Section 633 of the Act, in which relief is granted to him by the Court.

#### **SECURITY CLAUSE**

198. a) Every Director, Manager, Auditor, Treasurer, member of a Committee, servant, agent, Chief Accounts Officer, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except and so far as may be necessary in order to comply with any of the provisions in these presents contained.
- b) No members shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process of any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

#### **GENERAL POWER**

199. Wherever in the Act, it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

**RESOLVED FURTHER THAT** any one of the Directors and/or the Company Secretary of the Company be and are hereby, severally, authorized to do all such acts deeds and things as are deemed expedient and necessary and to file necessary Forms>Returns/ Applications/Documents/Papers as are required to be filed with the office of the Registrar of Companies, Maharashtra, Mumbai and other authorities, Statutory or otherwise as are required to give effect to this Resolution."

3. To consider and, if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 16, 94 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the existing Authorised Share Capital of the Company comprising of 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each aggregating to Rs. 60,00,00,000/- (Rupees Sixty Crores Only) be and is hereby increased to Rs. 125,00,00,000/- (Rupees One Hundred Twenty Five Crores Only) by creating additional 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each and by creating additional 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.

**RESOLVED FURTHER THAT** Clause V of the Memorandum of Association of the Company be substituted with the following new Clause V:

V. The Authorised Share Capital of the Company is Rs. 125,00,00,000/- (Rupees One Hundred Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each. The Company has power from time to time to increase or reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges or conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions, for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.

**RESOLVED FURTHER THAT** any one of the Directors and/or the Company Secretary of the Company be and are hereby, severally, authorized to do all such acts deeds and things as are deemed expedient and necessary and to file necessary Forms>Returns/ Applications/Documents/Papers as are required to be filed with the office of the Registrar of Companies, Maharashtra, Mumbai and other authorities, Statutory or otherwise as are required to give effect to this Resolution."

4. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, the notifications issued by the Reserve Bank of India ("RBI") and all other applicable laws, listing agreement entered into by the Company with the stock exchange where the shares of the Company are listed, the Articles of Association of the Company and subject to all other statutory and regulatory approvals, consents, permissions and/or sanctions of the Government of India, Reserve Bank of India ("RBI"), Securities and Exchange Board of India ("SEBI") and all other concerned authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (the "Board") (which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot Equity Shares and/or other equity linked or convertible financial instruments ("OFIs"), whether denominated in rupee or foreign currency(ies), in the course of international and/or domestic offering(s) in one or more foreign market(s), for an amount not exceeding Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only), inclusive of premium, at an appropriate time (including the Equity Shares issued upon conversion/exchange of OFIs and on exercise of warrants, if any) in one or more tranches, by way of a follow-on public offering ("FPO"), Rights Issue, Private Placement Basis, Qualified Institutional Placement Basis or any other mode or mechanism to eligible investors, or through Foreign Currency Convertible Bonds ("FCCBs") or any other Depository Receipt Mechanism convertible into Equity Shares (either at the option of the Company or the holders thereof) at a later date, any such instrument or security [including Debentures or Bonds or FCCBs] being either with or without detachable warrants attached thereto entitling the warrant holder to apply for Equity Shares/instruments or securities (hereinafter collectively referred to as the "Securities") or any combination of Equity Shares, with or without premium, to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident/foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/Foreign Institutional Investors ("FIIs")/ Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally through prospectus, offer document and/or other letter, placement document or circular ("Offer Document") and/or on private placement basis, from time to time in one or more tranches as may be deemed appropriate by the Board and such issue and allotment to be made on such occasion or occasions, at such value or values, at a discount or at a premium to the market price prevailing at the time of the issue and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the Lead Manager(s) and/or Underwriters and/or other Advisors, with authority to retain oversubscription upto such percentage as may be permitted by the Appropriate Authorities, with or without voting rights in general meetings/ class meetings, at such price or prices, at such interest or additional interest, at a discount or at a premium on the market price or prices and in such form and manner and on such terms and conditions or such modifications thereto, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption/prepayment, number of further equity shares, to be allotted on conversion/redemption/ extinguishment of debt(s), exercise of rights attached to the warrants, the ratio of exchange of shares and/or warrants and/or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in consultation with the appropriate authority(ies), the Merchant Banker(s) and/or Lead Manager(s) and/or Underwriter(s) and/or Advisor(s) and/or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable regulations for the time being in force.

**RESOLVED FURTHER THAT** the Relevant Date for determining the pricing of the securities issued on conversion of FCCBs is the date of the meeting in which the Board decides to open the proposed issue or such date, if any, as may be notified by SEBI or the RBI or any Appropriate Authority from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee, Stabilisation Agent, Banker/Escrow Banker to the Issue and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Securities in one or more Indian/ International Stock Exchanges.

**RESOLVED FURTHER THAT** the Board and/or agency or body authorised by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/ International practices and regulations and under the norms and practices prevalent in the Indian/International Markets.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of further Equity Shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such further Equity Shares ranking *pari-passu* with the existing fully paid equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document.

**RESOLVED FURTHER THAT** subject to the existing law and regulations, such Securities to be issued, that are not subscribed, during the currency of the warrants or option or any right entitling the holder of security to subscribe for Equity Shares or any OFIs, may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident/ foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/Foreign Institutional Investors ("FIIs")/ Qualified Institutional Buyers ("QIBs")/ Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and/or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/ offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and/ or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as in its absolute discretion it may consider necessary and take all such steps that may be deemed expedient to give effect to this Resolution."

5. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 and in supercession of all earlier resolutions passed in this regard and subject to the such approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include person(s) authorized and/or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to make loan(s) and/or give guarantee(s)/provide any security(ies) in connection with loan(s) made either in Rupee or in any other foreign currency, to the Company or other Bodies Corporate by any Banks/Financial Institutions/Bodies Corporate and/or any other person, situated within or outside the country, and/or to make investment by acquisition, subscription, purchase or otherwise the securities of any Body Corporate, exceeding the limits of sixty per cent of its paid-up share capital and free reserves, or one hundred per cent of its free reserves, whichever is more, provided that the aggregate of all loans and investments thus far made in and the amounts for which the guarantees or securities thus far provided to all other bodies corporate, along with the investments, loans, guarantees or securities so to be made or given by the Board, shall not exceed a sum of Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only) at any point of time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, if any required, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

6. To consider and, if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 and in supercession of all the earlier resolutions passed in this regard, the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include person(s) authorized and/or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) be and are hereby authorized to borrow from time to time any sum or sums of money, on such terms and conditions and with or without security as the Board may think fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any point of time exceed the limit of Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only).

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

7. To consider and, if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and in supercession of all the earlier resolutions passed in this regard, the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include person(s) authorized and/or committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) be and are hereby authorized to transfer, sell, lease, assign, deliver or otherwise dispose off, mortgage, and/or charge all or any of the immovable and movable properties of the Company, wherever situate, both present and future or the whole or substantially the whole of the undertaking or undertakings of the Company, (save and except the current assets that are or may be hypothecated and/or pledged in favour of the Company's Bankers for securing the borrowings for Working Capital Requirements) in such form and in such manner and on such terms and conditions as the Board may think fit, together with the power to take over the management of the Company, in the course of business or for securing any loans and/or advances already obtained or that may be obtained by the Company or others, from any Financial Institutions/ Banks/ Insurance Companies/ Other Bodies Corporate or person or persons and/or to secure any debentures issued and/or that may be issued upto a sum not exceeding Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only) at any point of time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize the terms and conditions for such transfer, sale, lease, disposal or for creating the aforesaid mortgage and/or charge and to do all such acts, deeds and things as may be necessary, usual or expedient for giving effect to this Resolution and also to agree to any amendments thereto from time to time as it may think fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, if any required, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

By order of the Board of  
**TREND ELECTRONICS LIMITED**  
Sd/-  
**KANCHAN A. KAKADE**  
COMPANY SECRETARY

Date: 17<sup>th</sup> April, 2012  
Place: Mumbai

**NOTES:**

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out material facts is annexed hereto.
2. Mr. Sharad B. Palod, Advocate, has been appointed as a Scrutinizer for conducting the Postal Ballot process in fair and transparent manner and to receive and scrutinize the completed Ballot Papers from the members. The Postal Ballot Form and the self-addressed envelope (postage to be paid by addressee) are enclosed for use of the members.
3. The members are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Postal Ballot Form (no other form or photocopy of the Postal Ballot Form is permitted) duly completed with the assent (for) or dissent (against), in the attached self-addressed envelope, so as to reach The Scrutinizer – Trend Electronics Limited, Post Box No. 557, Aurangabad - 431005, Maharashtra, not later than the close of working hours on Monday, 28<sup>th</sup> May, 2012. The Postal Ballot Form received after Monday, 28<sup>th</sup> May, 2012, shall be treated as not having been received and will not be valid.
4. The result of the Postal Ballot will be declared on Wednesday, 30<sup>th</sup> May, 2012, at 5.00 p.m. at the Registered Office of the Company by any one of the Directors or Company Secretary of the Company. The said date of declaration shall be the date of passing of the said Resolution(s).
5. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 12.00 Noon to 3.00 p.m. upto Monday, 28<sup>th</sup> May, 2012.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173[2] OF THE COMPANIES ACT, 1956****Item 1:**

With the advancement in technology, the consumer electronics industry is growing fast. The Company continues to upgrade its technology base on regular basis to meet its consumer needs. Further, numerous opportunities are open for expansion and enlargement of area of operation of the Company by various ways and means.

Your Company believes in offering products equipped with the world-class technology to its valued customers. In view of this, it is proposed to expand the existing line of business by undertaking manufacturing and trading of new range of consumer electronics products such as Light Emission Displays (LEDs), Plasma Display Panels (PDPs), Light Crystal Displays (LCDs), Mobile Phones, Mobile Tablets and other electronic gadgets along with its present range of products. While doing the same, the Board of Directors also thought it appropriate to include DVDs and Set Top Boxes in the main objects, since, these products already form part of the product portfolio of the Company.

Though the present Main Object of the Company enables the Company to carry on business of all kinds of electronic and electrical goods, the Board of Directors thought it appropriate to make the Main Objects Clause more inclusive.

In terms of the provisions of Section 17 read with Section 192A of the Companies Act, 1956, the proposed changes to the Main Object Clause of Memorandum of Association requires approval of the members by passing a Special Resolution by Postal Ballot. The Directors propose the Special Resolution for your approval.

None of the Directors is, in any way, concerned or interested in the said Resolution.

**Item 2:**

There are some inconsistencies and typographical errors in the existing set of regulations of Articles of Association of the Company. It is required to remove the inconsistencies and set up the Articles with proper headings and descriptions. As this will entail numerous changes to the Articles of Association of the Company, it is considered desirable to adopt a comprehensive new set of regulations of Articles of Association in substitution of existing set of regulations of the Articles of Association of the Company.

Therefore, it is proposed to delete regulations No. 1 to 187 (both inclusive) contained in the Articles of Association of the Company and substitute the same with new set of regulations No. 1 to 199 in place thereof, as set out in the resolution.

Pursuant to the provisions of Section 31 of the Companies Act, 1956, alteration of Articles of Association requires approval of the members of the Company by way of passing a Special Resolution.

Though, it is not mandatory to pass the said Resolution through Postal Ballot, it has been recommended to pass the resolution by way of Postal Ballot for wider participation of the members.

None of the Directors is, in any way, concerned or interested in the said Resolution.

**Item 3:**

The Present Authorized Share Capital of the Company is Rs. 60,00,00,000/- (Rupees Sixty Crores Only) comprising of 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.

The present Authorised Share Capital of the Company is inadequate to accommodate additional shares proposed to be issued pursuant to Item No. 4. Hence, the Board of Directors thought it appropriate to increase the Authorized Share Capital of the Company from Rs. 60,00,00,000/- (Rupees Sixty Crores Only) to Rs. 125,00,00,000/- (Rupees One Hundred And Twenty Five Crores Only) in the manner as described in the Resolution.

Pursuant to Section 16, Section 94 of the Companies Act, 1956 and Articles of Association of the Company, members' approval is required by passing an ordinary resolution for increase in Authorised Share Capital and consequent alteration of Clause V of the Memorandum of Association of the Company.

Though it is not mandatory to pass the said resolution through postal ballot, it has been thought desirable to pass as such, for wider participation of the members.

None of the Directors is, in any way, concerned or interested in the said resolution, except to the extent of their shareholding in the Company.

**Item 4:**

The Company has been exploring various growth opportunities from time to time in the existing line of activities as well as in the new areas. Therefore, in the event of opening up of huge business opportunities in different area of operations, the Company is expected to have substantial amount of fund requirements to support the operations in future. The Board is of the opinion that the equity base of the Company should be strengthened as and when there are appropriate opportunities or proposals.

Accordingly, it is proposed to seek shareholders' approval to issue, offer and allot Equity Shares and/or other equity linked financial instrument, at an appropriate time, in one or more tranches, of an amount not exceeding Rs. 250,00,00,000 (Rupees Two Hundred And Fifty Crores Only), inclusive of premium, through a follow-on public offering ("FPO") or Rights Issue or Private Placement Basis or any other basis or any such instrument or security, including Debentures or Bonds or Foreign Currency Convertible Bonds ("FCCBs"), either with or without detachable warrants attached thereto entitling the warrant holder to apply for Equity Shares/instruments.

In terms of Section 81(1) of the Companies Act, 1956, in the event of a Public Company proposing to increase its subscribed capital by way of allotment of further shares in the circumstances specified therein, it is required to offer such further shares to its existing equity shareholders in the proportion of their respective equity shareholdings in the Company. Pursuant to Section 81(1A) of the Companies Act, 1956, a Public Company may offer its shares in any manner whatsoever to persons other than those mentioned in Section 81(1), if a special resolution to that effect is passed.

Though it is not mandatory to pass the said resolution through postal ballot, it has been thought desirable to pass as such, for wider participation of the members.

None of the Directors is, in any way, concerned or interested in the said Resolution, except to the extent of their shareholding in the Company and allotment, if any, made to them.

**Item 5:**

In terms of the provisions of Section 372A of the Companies Act, 1956, the Company may extend guarantee, make investment, give loan, provide security upto an amount not exceeding sixty per cent of its paid-up share capital and free reserves, or hundred per cent of its free reserves, whichever is more. Anything in excess of the aforesaid limit of sixty per cent of its paid-up share capital and free reserves, or hundred per cent of its free reserves, whichever is more, requires prior approval of the shareholders by way of passing a Special Resolution.

As a measure of achieving greater financial flexibility, it is proposed that the Board of Directors of the Company be authorized to make investment/ extend guarantee/ provide security/ give loan upto an amount of Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only) which, in the opinion of the Board, are directly or indirectly, beneficial to and is in the interest of the Company. Investment decisions are required to be made on a quick basis and within a limited time span. Also keeping in view interests of the Company, securities/guarantees are required to be provided from time to time for the facilities availed either by the Company or any other entities whether associated or not. It may not be feasible for the Company to convene the General Body Meeting of the members every time in view of the timings and the expenses involved. The Board proposes to make investment/give loan, inter-alia, out of internal accruals/mobilizations including external financing, as may be done by the Company from time to time.

Hence, as per the provisions of Section 372A read with Section 192A of the Companies Act, 1956 and the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011, approval of the members is sought for reconsidering a ceiling of Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only) upto which loans/investments can be made, security/guarantee may be provided by the Board of Directors of the Company. In accordance with the provisions of the Companies Act, 1956, the said limit may also be considered as an annual limit for extending guarantee till the time the same is fully utilized/exhausted.

The said Special Resolution is being recommended for the approval of members by Postal Ballot.

None of the Directors is, in any way, concerned or interested in the said Resolution, except to the extent of their shareholding in the Company.

**Item 6:**

The Company has been exploring various growth opportunities from time to time in the existing line of activities as well as in the new areas. Therefore, in the event of opening up of huge business opportunities in different area of operations, the Company is expected to have substantial amount of fund requirements to support the operations in future. On this background, the Company keeps on evaluating different proposals to mobilize the required funds, as and when required, including by way of issuance of debt instrument and instruments convertible into equity shares. To ensure adequate availability of the necessary fund requirements, it is necessary that the Board of Directors have sufficient borrowing powers.

As per the provisions of the Section 293(1)(d) of the Companies Act, 1956, the approval of the shareholders is required for authorizing the Board of Directors to borrow money/moneys, where the amount to be borrowed together with the amount already borrowed by the company exceeds the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

In terms of the provisions of Section 192A of the Companies Act, 1956, read with Companies (Passing of Resolution by Postal Ballot) Rules, 2011, the Board of Directors are compulsorily required to obtain approval of the members, by passing an Ordinary Resolution by Postal Ballot, under Section 293(1)(a) of the Companies Act, 1956, as listed in Item No. 7 hereunder, for authorizing the Board to sell, lease, mortgage or otherwise dispose off the whole or substantially the whole of undertaking of the Company upto an amount of Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only).

Since, the proposed resolution under Section 293(1)(d) of the Companies Act, 1956, is interconnected with the resolution under Section 293(1)(a) of the Companies Act, 1956, the Board of Directors thought it appropriate to transact the resolution under Section 293(1)(d) also by Postal Ballot. This will also provide wider participation from the members.

The said Ordinary Resolution is being recommended for the approval of members by Postal Ballot.

None of the Directors is, in any way, directly or indirectly, concerned or interested in this Resolution.

**Item 7:**

As a general policy, the Company, in the ordinary course of business, may borrow money and provide guarantee and/or security in connection with the loans made to the Company or any other company, bodies corporate by financial institutions, banks, other bodies corporate, Foreign Institutional Investors and various other sources of lending, which in the opinion of the Board are directly or indirectly, beneficial to and are in the interest of the Company. In order to enable the Company to borrow loans or provide security/guarantee, the Company has to mortgage/hypothecate the assets of the Company as security/collateral security.

Further, to ensure adequate availability of capital and additional fund requirement, it is necessary that the Board of Directors has sufficient borrowing powers as well as power to provide security for borrowings. The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultations with the lender(s).

The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees, with a power to take over the management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence, it is necessary to obtain approval for the same from the shareholders.

As a measure of achieving greater financial flexibility, it is proposed that the Board of Directors of the Company be authorized to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking or to mortgage and/or charge, in addition to the mortgages and/or charges created/to be created by the Company upto an amount of Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only). It may not be feasible for the Company to seek shareholders' consent by calling and convening Extraordinary General Meeting and/or by way of Postal Ballot each and every time in view of the timing required.

Hence, as per the provisions of Section 293(1)(a) of the Companies Act, 1956, approval of the members is sought for enhancing powers of the Board upto Rs. 30,000 Crores (Rupees Thirty Thousand Crores Only).

The said Ordinary Resolution is being recommended for the approval of members by Postal Ballot.

None of the Directors is, in any way, concerned or interested in the said Resolution, except to the extent of their shareholding in the Company.

By order of the Board of  
**TREND ELECTRONICS LIMITED**

Sd/-

**KANCHAN A. KAKADE**  
**COMPANY SECRETARY**

Date: 17<sup>th</sup> April, 2012  
Place: Mumbai



# TREND ELECTRONICS LIMITED

Regd. Office: 20 K.M. Stone, Aurangabad - Beed Road, Village: Bhalgaon, Aurangabd - 431 210

## POSTAL BALLOT VOTING FORM

(Please read carefully the instructions printed overleaf before completing this Form)

1.	Name(s) of Shareholder(s) (Including Joint holders, if any)	:	
2.	Registered Address of the Sole/First named shareholder	:	
3.	Registered Folio No./DP ID No./ Client ID No.	:	
4.	Number of Shares held	:	

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed through Postal Ballot for the special business stated in the Notice by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

Item	Description of the Resolution	No. of Shares	I/We assent to the Resolution	I/We dissent to the Resolution
1.	Special Resolution under Section 17 of the Companies Act, 1956, for alteration of Main Object Clause No. III. A 1. i.e. "MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION" of the Memorandum of Association by inserting the words "Light Emission Displays (LEDs), Plasma Display Panels (PDPs), Liquid Crystal Displays (LCDs), DVDs, Set Top Boxes" after the word "Televisions"; by inserting the words "Mobile Phones, Mobile Tablets" after the words "cordless telephones" and by inserting the words "Electronic Gadgets" after the words "technological advancements".			
2.	Special Resolution under Section 31 of the Companies Act, 1956, to amend and substitute existing set of regulations No. 1 to 187 (both inclusive) contained in the Articles of Association of the Company, by inserting new set of regulations No. 1 to 199 (both inclusive) of the Articles of Association, in the manner provided in the Resolution.			
3.	Ordinary Resolution under Section 16 and 94 of the Companies Act, 1956, for increase in authorized capital of the Company from Rs. 60,00,00,000/- (Rupees Sixty Crores Only) to Rs. 125,00,00,000/- (Rupees One Hundred Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each aggregating to Rs. 125,00,00,000/- (Rupees One Hundred Twenty Five Crores Only) and consequent alteration to Clause V of the Memorandum of Association of the Company.			

Item	Description of the Resolution	No. of Shares	I/We assent to the Resolution	I/We dissent to the Resolution
4.	Special Resolution under Section 81(1A) of the Companies Act, 1956, to issue, offer and allot Equity Shares and/or other equity linked financial instrument, in one or more tranches, for an amount not exceeding Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only), inclusive of premium, at an appropriate time, in one or more tranches, through a follow-on public offering (FPO), Right Issue, Private Placement Basis, Qualified Institutional Placement Basis or any other mode or through Foreign Currency Convertible Bonds (FCCBs) and any other Depository Receipt Mechanism, subject to necessary approval and consent.			
5.	Special Resolution under Section 372A of the Companies Act, 1956, for authorizing the Board of Directors to make investments, extend guarantee, provide security, make inter-corporate loans upto an amount not exceeding Rs. 30,000 Crores.			
6.	Ordinary Resolution under Section 293 (1) (d) of Companies Act, 1956, for authorizing the Board of Directors of the Company to borrow money/moneys upto an amount not exceeding Rs. 30,000 Crores.			
7.	Ordinary Resolution under Section 293 (1) (a) of the Companies Act, 1956, for authorizing the Board of Directors to sell, lease, mortgage, or otherwise dispose off the whole or substantially the whole of undertaking of the Company upto an amount not exceeding Rs. 30,000 Crores.			

Place :

Signature : \_\_\_\_\_

Date :

Name : \_\_\_\_\_

Email ID : \_\_\_\_\_

**Notes:**

1. A member desiring to exercise vote by Postal Ballot are requested to complete this Postal Ballot Form, in all respect and send the same to Mr. Sharad B. Palod - The Scrutinizer, in the self-addressed (postage to be paid by addressee) envelope so as to reach, The Scrutinizer - Trend Electronics Limited, Post Box No. 557, Aurangabad - 431 005, Maharashtra, not later than the closure of working hours on Monday, 28th May, 2012. If the Postal Ballot Form is received after Monday, 28th May, 2012, the same shall be treated as if reply from the shareholder has not been received. The assent/dissent received otherwise than on the Postal Ballot Form, shall not be considered valid. The envelope containing Postal Ballot Form, if sent by Courier at the Registered Office, at the expenses of the registered shareholder will also be accepted.
2. The result of the Postal Ballot will be declared by any one of the Directors or the Company Secretary of the Company on Wednesday, 30th May, 2012 at 5.00 p.m. at the Registered Office of the Company. The said date of declaration shall be the date of passing of the said Resolution(s).
3. The Postal Ballot Form shall be completed and signed by the shareholder. In case of joint holders, this form should be completed and signed by the first named shareholder and in his absence by the next named joint holder. The signature should match with the specimen signature registered with the Company in respect of shares held in physical form and with the specimen signature registered with the Depository Participants in respect of shares held in electronic form. The Postal Ballot Form shall be rejected if the signature on the Postal Ballot Form does not match with the specimen signature registered with the Company/Depository Participants. The Postal Ballot Form incomplete in any manner/unsigned/incorrect, whatsoever, shall be liable to be rejected.
4. Where the Postal Ballot Form has been signed by an authorized representative of a Body Corporate, a certified copy of the Board Resolution authorizing the signatory to execute and sign the Postal Ballot Form should be attached to the Postal Ballot Form. Where the Postal Ballot Form has been signed by a representative of the President of India or Governor of State, certified copy of the nomination should accompany the Postal Ballot Form. A member may sign the Postal Ballot Form through an Attorney appointed specially for this purpose, in such case an attested true copy of the Power of Attorney should be attached to Postal Ballot Form.
5. The Shareholders are requested to note that no other document except duly completed Postal Ballot Form together with authorizations, if any (as mentioned in S. No. 4 above), should be sent in the self addressed (postage to be paid by addressee) envelope.
6. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on the date of issue of Notice.
7. Scrutinizer's decision on the validity of Postal Ballot Form will be final.
8. Members may address their queries/communications at [secretarial\\_trend@videoconmail.com](mailto:secretarial_trend@videoconmail.com)