

June 7, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Scrip Code: 500271**Scrip Code: MFSL**

Dear Sir/Madam,

Sub. Submission of Notice of Postal Ballot

We herewith attach the Notice of Postal Ballot (including instructions for e-voting alongwith existing and new set of Articles of Association of the Company), being sent to the shareholders of the Company, to obtain their consent and approval for the following matters as set out in Notice of Postal Ballot by way of remote e-voting:

1. Adoption of new set of the Articles of Association of the Company (Special Resolution);
2. Appointment of S.R. Batliboi & Co. LLP as the Statutory Auditors of the Company to fill the casual vacancy caused by resignation of Deloitte Haskins & Sells LLP, till the date of ensuing Annual General Meeting (Ordinary Resolution); and
3. Appointment of Mr. V. Krishnan as 'Manager' of the Company in terms of the provisions of Section 196, 197 and 203 read with Schedule V of Companies Act, 2013 (Special Resolution).

The details of the calendar of events for the Postal Ballot are as follows:

Sl. No.	Event	Date
1.	Voting rights reckoning date/ Cut-off date	02-06-2023
2.	Last Date of Completion of dispatch of Postal Ballot notice	07-06-2023
3.	Voting period Start Date	08-06-2023
4.	Voting period End Date	07-07-2023
5.	Date of Submission of Scrutinizer's Report	08-07-2023
6.	Date of Announcement of Results of Postal Ballot	08-07-2023

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully

for **Max Financial Services Limited**

V. Krishnan
Company Secretary & Compliance Officer

Encl: As above

MAX FINANCIAL SERVICES LIMITED

(CIN: L24223PB1988PLC008031)

Registered Office: Bhai Mohan Singh Nagar

Railmajra, Tehsil Balachaur

District Nawanshahr, Punjab – 144 533

Tel: 01881-462000, 462001 Fax: 01881-273607

www.maxfinancialservices.com

E-mail: investorhelpline@maxindia.com

NOTICE OF POSTAL BALLOT

(Pursuant to Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars (as defined below)

To
The Members,

Notice is hereby given pursuant to the provisions of Section 108, 110 and all other applicable provisions of the Companies Act, 2013 (the “**Act**”), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the “**Rules**”), Regulation 44 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”), Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (“**SS-2**”), various applicable circulars issued by Securities and Exchange Board of India, from time to time, and subject to other applicable laws, rules and regulations, if any including any statutory modifications, clarification(s), amendments or re-enactments thereof for the time being in force and other applicable laws and regulations, if any, for seeking approval of the members by way of Special / Ordinary Resolutions for the matters as considered in the resolutions appended below through postal ballot only by means of remote e-voting (“**Postal Ballot**”).

The Members of the Company may note that the Ministry of Corporate Affairs (the “**MCA**”) vide its General Circular No. 14/2020 dated April 8, 2020 read with General Circular No.17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/21dated June 23, 2021, No. 20/21 dated December 08, 2021, No. 03/2022 dated May 5, 2022, No. 11/22 dated December 28, 2022 and other applicable circulars (the “**MCA Circulars**”) have allowed the companies to take all decisions requiring members approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and the Rules, without holding a general meeting that requires physical presence of members at a common venue.

The Board of Directors of the Company proposes to obtain the consent of the members by way of Postal Ballot for the matters as considered in the Resolutions appended below. The Explanatory Statement pursuant to Section 102 of the Act pertaining to the said Resolutions, setting out material facts and the reasons for the Resolutions, are also annexed. You are requested to peruse the proposed Resolutions, along with the Explanatory Statement, and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

In accordance with the said MCA Circulars, SS-2 and applicable provisions of the Act and Listing Regulations, this Postal Ballot Notice is being sent in electronic mode to members whose e-mail address is registered with the Company or the Depository Participant(s) and the communication of assent / dissent of the members will only take place through the remote e-voting facility being offered by the Company. This Notice is accordingly being issued to the members in compliance with the MCA Circulars.

Special Business

Item No 1:

To consider and if thought fit, to pass, the following Resolution as a Special Resolution for adoption of new set of the Articles of Association of the Company:

“RESOLVED THAT pursuant to the provisions of Section 5, 14, 15 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 as amended from time to time (including any statutory modification or re-enactment thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for adoption of new set of Articles of Association having Article No. 01 to 76 in substitution for and to the entire exclusion of the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company and the Company Secretary be and are hereby severally authorized to file necessary e-forms with the concerned office of the Registrar of Companies, and to do all such acts, deeds, filings, matters and things as it may in its absolute discretion, deem necessary, to settle any questions, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other authority arising from or incidental to the said amendment without requiring the Board to secure any further consent or approval of the members of the Company and execute all such deeds, documents, instruments, applications, returns and writings as may be necessary, proper, desirable or expedient for the said purpose.”

Item No. 2:

To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution for appointment of S.R. Batliboi & Co. LLP as the Statutory Auditors of the Company to fill the casual vacancy caused by resignation of Deloitte Haskins & Sells LLP, till the date of ensuing Annual General Meeting:

“RESOLVED THAT pursuant to the provisions of Section 139,141 & 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and in accordance with the provisions stipulated by SEBI vide its circular no. CIR/CFD/CMD1/114/2019 dated October 18, 2019 and on the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for appointment of S.R. Batliboi & Co. LLP, Chartered Accountants (having Firm Registration No. 301003E/E300005 with the Institute of Chartered Accountants of India (ICAI) and a Peer review Certificate No.013326 issued by the Peer Review Board of ICAI) as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.117366W/W-1 00018) with effect from the closing of business hours of May 12, 2023, to hold office as the Statutory Auditors of the Company from May 13, 2023 till the conclusion of the ensuing 35th Annual General Meeting of the Company to be held in 2023.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalize their terms of engagement according to the scope of their services as Statutory Auditors and other permissible assignments, if any, including Audit Fee, Certification Fee, Tax Audit Fee (excluding GST) plus reimbursement of out of pocket expenses, etc., in line with prevailing rules and regulations made in this regard including their terms of appointment as per the provisions of Clause 6(A) and 6(B) of SEBI Circular No. CIR/CFD/ CMD1/114/2019 dated October 18, 2019.”

“RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution including filing of necessary forms with the concerned office of the Registrar of Companies, as may be required and to comply with all other requirements in this regard.”

Item No. 3:

To consider and if thought fit, to pass the following resolution as a Special Resolution for appointment of Mr. V. Krishnan as ‘Manager’ of the Company in terms of the provisions of Section 196, 197 and 203 read with Schedule V of Companies Act, 2013:

“RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members of the Company be and is hereby accorded for the appointment of Mr. V. Krishnan as the Manager of the Company as defined under Section 2(53) of the Act and a Key Managerial Personnel of the Company in accordance to the provisions of Section 203 of the Act read with Clause 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from July 1, 2023 for a period of 3 (three) years for a total remuneration not exceeding Rs. 2,00,00,000/- (Rupees Two Crores only) per annum (Fixed Compensation of upto Rs. 1.65 Crore and Variable Pay of upto Rs. 35 Lakhs) on the terms of remuneration stated as under:

- (i) Salary including Basic, House Rent Allowance / Company owned or leased Accommodation, Retirals like Provident Fund and Gratuity, perquisites and allowances viz., leave travel allowance, car lease rentals, fuel reimbursements, vehicle maintenance, driving services, management and such other allowances, personal accident insurance, health insurance (hospitalization) policy, Group term life insurance as per policy / rules of the Company in force, with the authority to the Nomination and Remuneration Committee to determine and regulate the remuneration within aforesaid limit, from time to time; and
- (ii) Variable compensation/performance incentive with the authority to the Nomination and Remuneration Committee (NRC)/Board to determine and pay the variable compensation within aforesaid limits on assessment of performance in key result areas, both quantitative and qualitative in terms of prescribed parameters, by NRC.”

“RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, Mr. V. Krishnan shall, subject to the provisions of Schedule V of the Act and other applicable provisions, if any, of the Act, be entitled to the remuneration as approved pursuant to this Resolution, as minimum remuneration.”

“RESOLVED FURTHER THAT the Board of Directors of the Company and /or its Committee thereof, be and is hereby authorized to regulate the payment of remuneration to Mr. V. Krishnan, Manager within the aforesaid limits of Rs. 2,00,00,000/- per annum during his tenure with the Company, from time to time.”

“RESOLVED FURTHER THAT the Company or Mr. V Krishnan shall be entitled at any time to terminate this appointment by giving three months written notice or by any shorter notice as may be accepted by the Board.”

“RESOLVED FURTHER THAT Mr. V. Krishnan be and is hereby authorized to exercise such powers of management as may be delegated to him by the Board of Directors of the Company, from time to time,

subject however, to the overall superintendence, control and direction of the Board /Chairman of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matter and things and take such steps as may be necessary, proper or expedient to give effect to this resolution including filing of necessary forms with the concerned office of the Registrar of Companies, as may be required and to comply with all other requirements in this regard.”

By Order of the Board
For **Max Financial Services Limited**

-Sd-

V. Krishnan

Company Secretary

Membership No. FCS- 6527

Place: Noida, U.P.
Date: June 2, 2023

Regd. Office: Bhai Mohan Singh Nagar,
Railmajra, Tehsil Balachaur, Dist. Nawanshahr
Punjab – 144 533

NOTES

1. A Statement pursuant to Section 102(1) and 110 of the Act read with rules, SS-2 and the applicable provisions of the Listing Regulations setting out material facts and reasons for the proposed matter relating to the Special Business to be transacted is annexed hereto and forms part of the Notice.
2. As per Section 108, 110 and other applicable provisions of the Act read with Rule 20 & 22 of the Rules, cut-off date for the purpose of reckoning the voting rights and sending the Notice is Friday, June 2, 2023 (“Cut-off date”). A person who is not a member as on the Cut-off date should treat the Notice for information purpose only.
3. In line with the MCA Circulars, the Notice is being electronically sent to all the Members of the Company, whose name appear on the Register of Members/List of Beneficial Owners) and whose email addresses are registered with the Company or with the depository(ies) / depository participants as on the cut-off date. It is however, clarified that all members of the Company as on the closure of cut-off date (including those members who may not have received this Notice due to non-registration of their email IDs with the Company or the Depositories) shall be entitled to vote in relation to specified in this Notice. As per the MCA Circulars, physical copy of the Notice, Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot. Company is providing facility for voting by electronic means (e-voting) and the business may be transacted through such e-voting only.

The Notice shall also be uploaded on the website of the Company (www.maxfinancialservices.com), on the website of National Securities Depository Limited (“NSDL”), at www.evoting.nsdl.com and on the websites of National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com).

4. Members who have not registered their e-mail addresses with either the Company or the Depositories are requested to register the same with the Company or the Depositories in accordance with the process specified herein below at point no 9 (b).

5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the member as on Cut-off date (i.e. Friday, June 2, 2023). Only those members whose names are recorded in the Register of Members of the Company or in the list of Beneficial Owners maintained by the Depositories as on that date will be entitled to cast their votes by e-voting. Voting rights in the e-voting cannot be exercised by a proxy.
6. The dispatch of the Notice shall be deemed to be completed on June 7, 2023, i.e., the day on which NSDL sends out the communication for the postal ballot process by e mail to the members of the Company.
7. The e-voting shall commence on Thursday, June 8, 2023 at 9.00 A.M. (IST) and end on Friday, July 7, 2023 at 05.00 P.M. (IST). The e-voting module shall be disabled by NSDL for voting thereafter. During this period, the members of the Company (including those members who may not have received the Notice due to non-registration of their email address with the Company or the Depositories) holding shares in physical form or dematerialized form as on the Cut-off date (i.e. June 2, 2023), may cast their vote by electronic means in the manner as set out here in Note No. 9 below. Once the vote is cast on the resolutions by the member, the member shall not be allowed to change the same subsequently.
8. The documents referred to in accompanying notice and explanatory statement, if any, shall be open for inspection at the Registered Office and Corporate Office of the Company without any fee on all working days (i.e. excluding, Saturdays, Sundays and public holidays) between 1100 hours (IST) to 1300 hours (IST) from the date of dispatch of notice upto the date of declaration of results of postal ballot. The documents shall be available for inspection through electronic mode, only on the requests sent by the members on Company's e-mail id: corpsecretarial@maxindia.com.
9. **Procedure for remote e-voting**

In compliance with provisions of Section 108 of the Act, Rule 20 of the Rules and Regulation 44 of the Listing Regulations and SS-2, the Company is pleased to provide its members the facility to exercise their right to vote through Postal Ballot by electronic means ('remote e-voting'). For this purpose, the Company has availed e-Voting Services provided by National Securities Depository Limited ('NSDL').

1. **The instructions and other information relating to e-voting are as under:**

Steps for vote electronically using NSDL e-Voting system





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

	<ol style="list-style-type: none"> 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
- (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - (c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolutions, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rupesh@cacsindia.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self -attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to investor@masserv.com with subject line “EMAIL ID REGISTRATION FOR FOLIO NUMBER (MENTION FOLIO NUMBER) OF MAX FINANCIAL SERVICES LIMITED.
2. In case shares are held in demat mode, please update your email id in your demat account. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**. If you are other than individual and not already registered with NSDL for e-voting please send copy of client master to investor@masserv.com with subject line “REQUIRED PASSWORD FOR DPID-CLID (MENTION DPID-CLID) OF MAX FINANCIAL SERVICES LIMITED).

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
10. **Other Information:**
- (a) The Board of Directors has appointed Mr. Rupesh Agarwal, Managing Partner (CP No. 5673) and failing him Mr. Shashikant Tiwari (CP No. 13050), Partner of M/s Chandrasekaran Associates, Company Secretaries having office at 11F, Pocket-IV, Mayur Vihar Phase-I, Delhi – 110091, as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (b) The Scrutinizer after scrutinizing the votes cast through remote e-voting will make a consolidated Scrutiniser's Report of the votes cast in favour or against, if any, shall submit the same within two working days from the end of the remote e voting period to the Chairman of the Company or any other person authorized by him in writing who shall countersign the same.
 - (c) The result of the voting on Resolutions passed by postal ballot and Remote e-voting will be declared by the Chairman of the Company or the authorized person in writing on Saturday, July 8, 2023 at the registered and/ or corporate office of the Company. After declaration of result by the Chairman of the Company or the authorized person in writing but within two working days from the end of remote e-voting, the aforesaid result along with the scrutinizer's report will be communicated to the Stock Exchanges where the shares of the Company are listed and will also be displayed at the Registered office and/or corporate office of the company and shall also be hosted on the Company's website: www.maxfinancialservices.com and on the NSDL's website: www.evoting.nsdl.com. The resolutions, if passed by the requisite majority, shall be deemed to have been passed as if the same has been passed at a general meeting of the members convened in that behalf. The resolutions, if approved by the requisite majority of members by means of Postal Ballot (i.e. remote e-voting), shall be deemed to have been passed on the last date specified by the Company for remote e-voting, i.e., July 7, 2023.
 - (d) In case of any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to the Company Secretary at the e-mail id. vkrishnan@maxindia.com. In case of any queries on e-voting, you may refer the Frequently Asked Questions (FAQs) for *members* and e-Voting user manual for *members* available at the "downloads" section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or call on: 1800 222 990.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013
READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014**

In terms of Section 102(1) read with Section 110 of the Companies Act, 2013 read with rules, SS-2 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR, 2015'), the following Explanatory Statement sets out all the material facts relating to the resolutions given in the accompanying Notice dated June 2, 2023.

Item No. 1

The Companies Act, 2013 ('the Act') has been amended, from time to time, by way of notifications and amendment acts including Companies (Amendment) Act, 2020. Further, securities laws including various Rules and Regulations issued by Securities and Exchange Board of India, from time to time have also undergone considerable changes. With the coming into force of the Act, several regulations of the existing AOA of the Company require alteration or deletions. Given this position, it is considered expedient to replace wholly the existing AOA by a new set of Articles.

To align the existing Articles with the changes as per extant laws and regulations, your Board of Directors of the Company, in the meeting held on May 12, 2023 thought it fit to adopt a new set of Articles of Association of the Company drawn in line with 'Table-F' of the Act with necessary modifications applicable to the Company as a listed company (AoA), subject to the approval of members of the Company and other necessary approvals. Further, SEBI in its Board meeting held on March 29, 2023 had contemplated changes for seeking periodic approval of the shareholders w r t special rights granted to shareholders of a listed company, from time to time. This is yet to be notified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As part of the clean-up of the AoA, special rights attached to the promoters forming part of existing Articles are done away with. Prior written consent of the Promoter Group has been received in this regard. The proposed Articles do not provide any special powers to any shareholder and adoption of this new Act of AoA is in the best interest of Shareholders of the Company.

Copies of (i) existing Articles of Association of the Company which will be replaced in its entirety with new set of Articles of Association and (ii) draft of new set of Articles of Association are available on the website of the Company at www.maxfinancialservices.com at the following links:

- (i) Existing Articles of Association of the Company at weblink at <https://www.maxfinancialservices.com/wp-content/uploads/2023/06/MFSL-Existing-Articles-of-Association.pdf>; and
- (ii) Draft of new set of Articles of Association of the Company at weblink at <https://www.maxfinancialservices.com/wp-content/uploads/2023/06/MFSL-Draft-of-new-set-of-Articles-of-Association.pdf>

The aforesaid documents are also available at the Registered Office of the Company for inspection by the members of the Company without any fee on all working days (i.e. excluding, Saturdays, Sundays and public holidays) between 1100 hours (IST) to 1300 hours (IST) from the date of dispatch of notice upto the date of declaration of results of postal ballot.

As stated above, the management would like to state that adoption of new set of AoA, is procedural in nature as the amendments are emanating from changes in extant laws and regulations and hence, comparative analysis between existing AoA and the new set of AoA is not feasible. The notable changes in the new set of AoA is the withdrawal of special rights to the Promoter Group as part of clean-up of AoA.

Accordingly, approval of Shareholders is sought by way of Special Resolution to adopt the new set of Articles of Association.

Your Board recommends the passing of Special Resolution set out at Item No. 1 of the Notice for approval of the members in the interest of the Company.

The Directors and/or Key Managerial Personnel of the Company and/or their relatives may be deemed to be interested in the said item to the extent of their shareholding interest, if any, in the Company. Save and except the above none of the Directors and /or Key Managerial Personnel of the Company and /or their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 1 of the Notice.

Item No. 2:

The members of the Company at the 32nd Annual General Meeting (AGM) held on December 30, 2020, have appointed Deloitte Haskins & Sells LLP, (Firm Registration No. 117366W/W-100018 with ICAI) as the Statutory Auditors of the Company for a period of five years (i.e. from FY April 1, 2020 to March 31, 2025, from the conclusion of 32nd AGM until the conclusion of 37th AGM to be held in the year 2025.

Deloitte Haskins & Sells LLP, Statutory Auditors, vide its letter dated May 12, 2023 submitted resignation to the Board and Audit Committee giving the detailed reasons, stating that its network firm which was the joint Statutory Auditors of Max Life Insurance Company Limited (“Max Life”), a material subsidiary of the Company, retired as its joint Statutory Auditors at the Annual General Meeting of Max Life held on May 12, 2023 after completion of two terms of five years each and that the Company required the alignment of its Statutory Auditors with the Successor Statutory Auditors of Max Life to streamline the Audit process. Accordingly, Deloitte Haskins & Sells LLP have tendered their resignation as the Statutory Auditors of the Company.

The Board of Directors of the Company at its meeting held on May 12, 2023, on the recommendations of the Audit Committee, accepted the resignation of Deloitte Haskins & Sells LLP with effect from the closing of business hours of May 12, 2023.

The Statutory Auditors had submitted Limited Review Report for the quarter ended March 31, 2023 as well as the statutory audit report for the year ended March 31, 2023 dated May 12, 2023. as per provisions of clause 6(A) and 6(B) of SEBI Circular No.CIR/CFD/ CMD/1/114/2019 dated October 18, 2019 and before completion of its second consecutive five years’ term.

Further, the Board of Directors at the aforesaid meeting, on the recommendation of the Audit Committee and subject to the approval of members of the Company approved the appointment of S.R. Batliboi & Co. LLP., as the Statutory Auditors of the Company in the casual vacancy caused by the resignation of Deloitte Haskins & Sells LLP till the date of ensuing Annual General Meeting of the Company.

S.R. Batliboi & Co. LLP, Chartered Accountants, being eligible under section 139(1) and other applicable provisions if any of the Act, had consented to act as the Statutory Auditors of the Company and had also confirmed that their appointment, if made, would be within the limits prescribed under the Act.

The said appointment of S. R. Batliboi & Co., LLP shall be pursuant to applicable provisions of the Act, SEBI (LODR) Regulations, 2015 and terms as contained in SEBI circular No.CIR/CFD/CMD/1/114/2019 dated 18th October, 2019.

The brief profile of New Statutory Auditors is as under: -

S.R. Batliboi & Co. LLP (FRN: 301003E/E300005), (“the Audit Firm”) was established in the year 1949. It has Head Office in Kolkata and has 13 branch offices in various cities in India. The Audit Firm is part of S.R. Batliboi & Affiliates network of audit firms and is registered as such with the Institute of Chartered Accountants of India (ICAI). It is a limited liability partnership firm (“LLP”) incorporated in India. The Audit Firm has a Peer Review certificate, which is valid till July 31, 2024. All the network firms including the Audit Firm are engaged primarily in providing audit and assurance services to clients.

Disclosure under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

Proposed statutory audit fees payable to the auditors	Rs. 31 Lakh per annum (exclusive of GST and out of pocket expenses etc.) for carrying out audit for FY 2023-24.
Terms of appointment	<p>To fill the casual vacancy caused by the resignation of Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No.117366W/W-1 00018) (the existing Statutory Auditors of the Company) and to hold office from May 13, 2023 till the date of next annual general meeting to be held in 2023. In this regard, approval of its shareholders is sought through this postal ballot process.</p> <p>Further, it is proposed to appoint S.R. Batliboi & Co., LLP as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of the 35th annual general meeting to be held in 2023 till the conclusion of 40th Annual General Meeting to be held in the year 2028, for which the approval of the shareholders shall be sought separately in the ensuing Annual General Meeting of the Company.</p>
Material change in the fees payable to the new auditor	Nil. The fees payable to new auditor is on the same terms for the earlier auditor.
Basis of recommendation and auditor credentials	<p>Deloitte Haskins & Sells LLP, Statutory Auditors, vide its letter dated May 12, 2023 submitted resignation to the Board and Audit Committee giving the detailed reasons, stating that its network firm which was the joint Statutory Auditors of Max Life Insurance Company Limited (“Max Life”), a material subsidiary of the Company, retired as its joint Statutory Auditors at the Annual General Meeting of Max Life held on May 12, 2023 after completion of two terms of five years each and that the Company required the alignment of its Statutory Auditors with the Successor Statutory Auditors of Max Life to streamline the Audit process. Accordingly, Deloitte Haskins & Sells LLP have tendered their resignation as the Statutory Auditors of the Company.</p> <p>Brief Profile of S.R. Batliboi & Co. LLP: S.R. Batliboi & Co. LLP (FRN: 301003E/E300005), (“the Audit Firm”) was established in the year 1949. It has Head Office in Kolkata and has 13 branch offices in various cities in India. The Audit Firm is part of S.R. Batliboi & Affiliates network of audit firms and is registered as such with the Institute of Chartered Accountants of India (ICAI). It is a limited liability partnership firm (“LLP”) incorporated in India. The Audit Firm has a Peer Review certificate, which is valid till July 31, 2024. All the</p>

	network firms including the Audit Firm are engaged primarily in providing audit and assurance services to clients.
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Your Board of Directors recommended passing of resolution set out in Item No. 2 for appointment of S.R. Batliboi & Co. LLP as the Statutory Auditors as an Ordinary Resolution.

The Directors and/or Key Managerial Personnel of the Company and/or their relatives may be deemed to be interested in the said item to the extent of their shareholding interest, if any, in the Company. Save and except the above none of the Directors and /or Key Managerial Personnel of the Company and /or their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 2 of the Notice.

Item no. 3

Mr. V. Krishnan has been associated with Max Group since 1992 and in his 31 years with the Group, has had a rich experience in managing Corporate Regulatory and Compliance matters. He has been closely involved in matters relating to setting-up of joint ventures, fund raising, mergers & acquisitions, business restructuring and corporate law compliances. He provides in-house counselling and guidance to the management team on all special projects from Regulatory/ Secretarial/Compliance perspective to ensure smooth completion of projects within timelines. Mr. V. Krishnan is the Company Secretary of the Company since July 2019 and previously he served as the Company Secretary of Max India Limited, another listed entity forming part of Max Group.

The Board of Directors at its meeting held on May 12, 2023, on the recommendations of the Audit Committee and Nomination and Remuneration Committee and subject to the approval of members of the Company, recommended the proposal for appointment of Mr. V. Krishnan as the Manager of the Company as defined under Section 2(53) of the Act and a Key Managerial Personnel of the Company in accordance to the provisions of Section 203 of the Act read with Clause 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per details captured in the resolution.

Mr. V Krishnan shall not be a director on the Board of Directors of the Company. He shall cease to be the Company Secretary of the Company on the close of business hours on June 30, 2023. Mr. V. Krishnan shall perform his duties as Manager under supervision, directions and control of the Board of Directors/Chairman of the Company, on the remuneration as detailed in the resolution, pursuant to provisions of Schedule V of the Act.

The Notice read with explanatory statement should be considered as written memorandum setting out the terms of remuneration of Mr. V. Krishnan, as Manager as required under Section 196 of the Act.

In terms of applicable provisions of the Act, the Company is required to obtain approval of members of the Company for appointment and payment of such remuneration to Manager by way of Special Resolution. The proposed remuneration is commensurate to the size and the complexity of the business and in line with remuneration package paid to similar senior level executives in other Companies. The proposed remuneration has sufficient degree of variable pay which will be determined by the NRC/Board of the Company at the end of the financial year on assessment of performance in key result areas in terms of parameters prescribed by NRC. The proposed Appointee is not related to any director/KMP of the Company.

Mr. V. Krishnan, as a key member of the Company shall be primarily responsible for shepherding/implementing the corporate transactions involving MFSL and Max Life other than being

responsible for legal and statutory compliances for the Company. His hands on experience in dealing with various corporate transactions involving fund raising, mergers & acquisitions, stakeholders management and business restructuring will prove to be beneficial for creation of long term value to all its stakeholders, given that an integration of both MFSL and Max Life in some form is in the offing, in future.

Other than Mr. V Krishnan and/or his relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives may be deemed to be interested in the resolution set out at Item No. 3 of the Notice.

The Board recommends resolution as set out at Item No. 3 of the notice by way of passing of Special Resolution.

The information required in terms of Clause (iv) of Section II of Part II of Schedule V to the Act is as under:

I. GENERAL INFORMATION:

- a. **Nature of Industry:** The Company is engaged in the activity of holding and nurturing of investments in life insurance business and providing management consultancy services to group companies.
- b. **Date or expected date of commencement of commercial production:** Not applicable as the Company is not involved in any manufacturing activity.
- c. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.:** Not applicable.
- d. **Financial performance based on given indicators:** The performance of the Company during last two years was as under:

(Rs. In crore)

Particulars	2022-23	2021-22
Total Revenue	58.23	202.06 [^]
Profit before tax (PBT)	19.25	147.08 [^]
Profit after tax (PAT)	13.88	102.62 [^]

[^] FY 2021-22 Revenue, PBT & PAT numbers include Dividend Income of Rs 144.46 Cr

- e. **Foreign investments or collaborations, if any:** Warburg Pincus Group, Xenok Limited, GS Mace Holdings Limited and International Finance Corporation have made equity investments in the Company in the past. M/s Mitsui Sumitomo Insurance Company Limited, our joint venture partner for Max Life Insurance Company had acquired 21.87% of the equity share capital of the Company on December 8, 2020.

II. INFORMATION ABOUT THE APPOINTEE:

Mr. V. Krishnan has been associated with Max Group since 1992 and in his 31 years association with the Group, has had a rich experience in managing Corporate Regulatory and Compliance matters. He has been closely involved in matters relating to setting-up of joint ventures, fund raising, mergers & acquisitions, business restructuring and corporate law compliances. He provides in-house counselling and guidance to the management team on all special projects from Regulatory/Secretarial/Compliance perspective to ensure smooth completion of projects within timelines. Mr. V. Krishnan is the Company Secretary of the Company since July 2019 and previously he served as the Company Secretary of Max India Limited, another listed entity forming part of Max Group. Mr. V Krishnan would serve the Company as its Company Secretary & Compliance Officer until June 30,2023.

Mr. Krishnan was awarded the prestigious awards of Max Group for his valuable contribution including “Founder’s Award” (which is one of the highest recognitions in the organization) and “Chairman’s Awards”. Mr. Krishnan holds a degree in commerce and is a fellow member of the Institute of Company Secretaries of India.

- a. **The details of remuneration paid to Mr. V Krishnan as the Company Secretary & Compliance Officer of the Company in the last two years and the proposed compensation for FY 2023-24 is furnished hereunder for the perusal of the members:**

	(Rs. In crore)		
	<u>Paid</u>		<u>Proposed</u>
	2021-22*	2022-23	2023-24
Remuneration	2.27	1.39	2.00
Total	2.27	1.39	2.00

*FY 2021-22 remuneration includes one-time special incentive of Rs 1.25 Crores paid for his valued contribution in consummation of Axis transaction

- b. **Recognition or Awards:** Mr. Krishnan had received prestigious awards of Max Group for his valuable contribution including “Founder’s Award” (which is one of the highest recognitions in the organization) and ‘Chairman’s Award’. Mr. Krishnan holds a degree in commerce and is a fellow member of the Institute of Company Secretaries of India.
- c. **Job Profile and his Suitability:** As per details stated in the preamble of the explanatory statement.
- d. **Remuneration Proposed:** As per details stated in the resolution set out at the notice.
- e. **Comparative remuneration Profile with respect to Industry, size of the Company, profile of the position and person:** Taking into consideration the size of the Company, the profile of Mr. V. Krishnan, the responsibilities shouldered on him and the industry benchmarks, the remuneration proposed to be paid commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
- f. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:** Mr. V. Krishnan does not have any pecuniary relations with the Company or relationship with the managerial personnel of the Company, apart from receiving remuneration from the Company.

III. OTHER INFORMATION:

- a. **Reasons of loss or inadequate profits:** The Company is having profits; however, the contemplated compensation may exceed the limits in case of inadequacy of profits in future.
- b. **Steps taken or proposed to be taken for improvement:** The Company has been taking all measures within its control to maximize overall efficiencies of its operations and minimising various fixed and variable Costs.
- c. **Expected increase in productivity and profit in measurable terms:** It is difficult to forecast the profitability in measurable terms. However, the Company expects that the profitability shall further improve in times to come.

The detailed profile of Mr. V. Krishnan along with other relevant details as required under Secretarial Standards for general meetings (SS-2) is as under:

Name of the Manager: Mr. V. Krishnan

Date of Birth: May 1, 1964

Age: 59 years

Brief resume covering qualification and nature of expertise in functional areas: As stated in the Explanatory Statement.

Details of Remuneration sought to be paid to Mr. V. Krishnan: As per details stated in the resolution set out at Item No. 3 and the Explanatory Statement attached.

Details of Remuneration last drawn by Mr. V. Krishnan: As per details stated in the Explanatory Statement.

Date of first Appointment on the Board: Not Applicable. He will not be a member of the Board and he will be a 'Manager' under the Act without being a director on the Board.

Shareholding in the Company: 5,100 Equity shares of Rs. 2/- each

Number of Board Meetings attended in current financial year: Not Applicable

Related to any other Director/KMPs of the Company: None

Directorships in Indian Companies (including Listed Companies):

- a) Max Estates Gurgaon Limited (Unlisted)
- b) Max Ateev Limited (Unlisted)
- c) Max Asset Services Limited (Unlisted)

Memberships/Chairmanship of Committees held in Indian Companies: Nil

By Order of the Board
For **Max Financial Services Limited**

-Sd-

V. Krishnan
Company Secretary
Membership No. FCS- 6527

Place: Noida, U. P.
Date: June 2, 2023

Regd. Office: Bhai Mohan Singh Nagar,
Railmajra, Tehsil Balachaur, Dist. Nawanshahr
Punjab – 144 533

Draft:

**THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
MAX FINANCIAL SERVICES LIMITED
(Incorporated under the Companies Act, 1956)**

The regulations comprised in these Articles of Association were adopted pursuant to a special resolution passed by the members of the Company through postal ballot on _____

1. Applicability of Table F

- i. The regulations contained in Table “F” in Schedule I to the Companies Act, 2013, shall apply to Max Financial Services Limited (“**Company**”) only in so far as the same are not provided for or are not inconsistent with these Articles.
- ii. The regulations for the management of the Company and for the observance of the members, thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by resolution as prescribed by the Companies Act, 2013.

2. Definitions and Interpretation

A. Definitions

In the interpretation of these Articles, the following words and expressions shall have the following meanings, unless repugnant to the subject or context.

- i. “Act” means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013. Reference to the Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and notified by Ministry of Corporate Affairs.
- ii. “Annual General Meeting” shall mean a General Meeting of the members held annually in accordance with the applicable provisions of the Act.
- iii. “Articles” shall mean these articles of association as adopted or as amended from time to time.
- iv. “Associate or Associate Company”, shall mean any entity which is an associate under sub-section (6) of section 2 of the Act or under applicable accounting standards or SEBI Regulations, as amended from time to time.
- v. “Auditors” shall mean and include those persons appointed as such by the Company in terms of the provisions of the Act.
- vi. “Board” or “Board of Directors” or “Directors” shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.
- vii. “Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

- viii. "Beneficial Owner" means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996, as amended.
- ix. "Business Day" shall mean a day on which scheduled commercial banks are open for normal banking business.
- x. "Capital" or "Share Capital" shall mean the authorized share capital of the Company.
- xi. "Chairperson" shall mean such person as is nominated or appointed in accordance with Article 34 herein below.
- xii. "Companies Act, 1956" shall mean the Companies Act, 1956 (Act I of 1956), to the extent that such provisions have not been repealed or superseded by the Companies Act, 2013 or de-notified.
- xiii. "Company" or "the Company" shall mean Max Financial Services Limited.
- xiv. "Company Secretary" or "Secretary" means a Company Secretary as defined in clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by the Company to perform the functions of the Company Secretary under the Act.
- xv. "Committees" shall mean a committee of the Board of Directors.
- xvi. "Debenture(s)" means Debenture(s) as defined in sub-section (30) of Section 2 of the Act.
- xvii. "Depositories Act" shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- xviii. "Depository" means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996.
- xix. "Director" shall mean any director appointed to the Board of the Company.
- xx. "Dividend" shall include interim and final dividends.
- xxi. "Debenture" includes Debenture stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the Company or not; Provided that (a) the instruments referred to in Chapter III-D of the Reserve Bank of India Act, 1934; and (b) such other instrument, as may be prescribed by the Central Government in consultation with the Reserve Bank of India, issued by a company, shall not be treated as debenture
- xxii. "Document" includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
- xxiii. "Equity Share Capital" means in relation to the Company, its Equity Share Capital within the meaning of Section 43 of the Act, as amended from time to time.
- xxiv. "Equity Shares" shall mean fully paid-up equity shares of the Company having a par value of INR 2 (Rupees Two) per equity share of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.
- xxv. "Executor" or "Administrator" shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the

deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

- xxvi. "Employees' Stock Option" shall have the same meaning as provided under in sub-section (37) of Section 2 of the Act or in applicable provisions of the SEBI Regulations.
- xxvii. "Extraordinary General Meeting" shall mean an extraordinary general meeting of the members duly called, constituted and any adjourned holding thereof in accordance with the provisions of the Act and includes resolution passed through postal ballot by the shareholders of the Company.
- xxviii. "Financial Year" shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- xxix. "General Meeting" means any duly convened meeting of the Shareholders of the Company from time to time in accordance with the Act and includes an extraordinary general meeting or annual general meeting.
- xxx. "Independent Director" means an independent director referred to in sub-section (6) of section 149 of the Act and applicable provisions of SEBI Regulations, as amended from time to time.
- xxxi. "Key Managerial Personnel (KMP)" shall mean the persons as defined in sub-section (51) of Section 2 of the Act or by SEBI or in any applicable laws.
- xxxii. "Law/Laws" shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, notifications, ordinances, or orders of any governmental authority, Regulatory authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.
- xxxiii. "Memorandum" shall mean the Memorandum of Association of the Company, as amended from time to time.
- xxxiv. "Manager" means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of a company, and includes a director or any other person occupying the position of a manager, by whatever name called, whether under a contract of service or not.
- xxxv. "Managing Director" means a director who, by virtue of this articles of a Company or an agreement with the Company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.
- xxxvi. "Month" and "Calendar Month" means a period of thirty days and a "Calendar month" means an English Calendar Month
- xxxvii. "Office" shall mean the Registered Office of the Company.
- xxxviii. "Ordinary Resolution" shall have the meaning assigned to it in Section 114 of the Act, as amended from time to time.
- xxxix. "Paid-up" shall include the capital credited as paid up.

- xl. "Person" shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association, or other entity (whether registered or not and whether or not having separate legal personality).
- xli. "Postal Ballot" means voting by post or through any electronic mode as per the provisions of sub-section (65) of section 2 of the Act.
- xl.ii. Preference Share Capital: means that part of the issued share capital of the company which carries or would carry a preferential right with respect to: (a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale.
- xl.iii. "Register of Members" shall mean the register of members to be kept pursuant to Section 88 of the Act.
- xl.ii. "Registered Owner" shall mean a depository whose name is entered as such in the records of the Company.
- xl.v. "Registrar" shall mean the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.
- xl.vi. "Rules" shall mean the rules made under the Act and as notified from time to time.
- xl.vii. "Seal" shall mean the common seal(s) of the Company, if any.
- xl.viii. "SEBI" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992 and the amendment made thereof.
- xl.ix. "SEBI Regulations" shall mean all the regulations, rules, circulars, notifications, orders, guidelines, advisory including all forms of communication and amendments, modification or re-enactment to any thereof as applicable to the Company and issued by the SEBI, from time to time.
 - I. "Security" or "securities" shall mean the securities as defined in Securities Contracts (Regulation) Act, 1956 or any amendment as may be made from time to time.
 - li. "Share" or "shares" shall mean any share issued in the Share Capital of the Company, including Equity Shares and Preference Shares.
 - lii. "Shareholder" or "member" shall mean duly registered shareholder, from time to time, of the shares of the company and includes the subscribers of the Memorandum of Association.
 - liii. "Stock Exchanges" shall mean BSE Limited, National Stock Exchange of India Limited and any other stock exchange where the Securities of the Company are listed.
 - liv. "Special Resolution" shall have the meaning assigned to it in Section 114 of the Act, as amended from time to time.
 - lv. "Tribunal" means the National Company Law Tribunal constituted under Section 408 of the Act.
 - lvi. "Working Days" shall mean all days in a week except Saturdays, Sundays, and

other public holidays, national holidays or any other holiday defined by SEBI or any Stock Exchange(s).

B. Interpretation

In these Articles (unless the context requires otherwise):

- i. References to a person shall, where the context permits, include such person's respective successors, legal heirs and permitted assigns.
- ii. In "Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form, including electronic mode as provided in the Information Technology Act, 2000 as amended from time to time.
- iii. Words importing persons shall include bodies corporate, corporations, companies, individuals, sole proprietorship, unincorporated association, unincorporated organization, an association of persons, partnership, joint venture, governmental authority, Hindu undivided family, trust, union, organization or any other entity that may be treated as a person under applicable Law (whether registered or not and whether or not having separate legal personality) and where the context permits, shall also include such person's respective successors, legal heirs and permitted assigns.
- iv. The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- v. References to Articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the Articles and sub-articles herein.
- vi. Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- vii. Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".
- viii. The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- ix. Reference to statutory provisions shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires and include references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- x. Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.
- xi. In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. Expressions in the Act and these Articles

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Regulations (as applicable), shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4A. Share capital and variation of rights

- a. The authorised Share Capital of the Company shall be such amount and be divided into a such number of shares as may be defined from time to time, be provided in Clause V of the Memorandum of Association of the Company as altered from time to time, with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may reclassify, subdivide, consolidate, increase, repay conversion of all or any of its fully paid up shares into Stock & reconvert the stock into fully paid up shares of any denomination, Cancellation of Shares subject to the provision of Section 61 of the Act and buy-back the Share Capital from time to time as per the provision of Section 68 of the Act or vary the rights, as may be thought fit, and upon the subdivision of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the subdivision.
- b. The Company has the power, from time to time, to increase or reduce its subscribed, authorized, issued and paid-up Share Capital, in accordance with the provisions of the Act, applicable Laws and these Articles.
- c. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Regulations, from time to time.
- d. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which maybe so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.
- e. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- f. 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 on the Register of Members, shall for the purposes of these Articles, be a Shareholder.
- g. The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of 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.
- h. The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by statute required, be bound to recognize any equitable or any other claim to or interest in such share on the part of any other reason.
- i. The shares or debenture or other interest of any member in a company shall be movable property transferable in the manner provided in Article 9 of the Articles of Association of the Company.

4B. Share at the disposal of the Directors

- a. Subject to the provisions of applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par) or at a discount (subject to compliance with section 53 of the Act) at such time as it may, from time to time, think fit to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares.

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

Subject to applicable laws, the Directors are authorised to issue Equity Shares (whether or not convertible into Equity Shares) or any kind of securities for offer and allotment to such of the officers, employees of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate.

- b. If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- c. Every Shareholder, or his heirs, Executors, or Administrators 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 Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

4C. Further issue of Share Capital

- a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered in accordance with the provisions of the Act, and applicable provisions of SEBI Regulations.
 - i. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid-up Share Capital on those shares by sending a letter of an offer through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery, as may be permitted under then-existing regulations, subject to the following conditions, namely:
 1. the offer shall be made by notice specifying the number of shares in accordance with the provisions of the Act, and SEBI Regulations and if the offer is not accepted, within the prescribed timeline, shall be deemed to have been declined;
 2. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in

favour of any other Person, and the letter of offer referred to in Article 4C(a)(i)(1) above shall contain a statement of this right;

3. after the expiry of the time specified in the letter of offer, or on receipt of earlier intimation from the Person to whom such letter of offer is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company.
- ii. to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Act and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time; or
- iii. to any persons, if it is authorized by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or (ii) above, either for cash or for a consideration other than cash at a price determined in the manner provided under the Act and the regulations issued by SEBI in this regard.

5. Preference Shares

The Company, subject to the applicable provisions of the Act, shall have the power to issue and allot on a cumulative or non-cumulative basis, convertible or non-convertible, redeemable preference shares in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit.

6. Brokerage & Underwriting

- a. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and SEBI guidelines where applicable
- b. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

7. Company's Lien on shares

- a. The Company shall have a first and paramount lien upon all the Shares (other than fully paid-up Shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares. 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 Directors may at any time declare any Shares wholly or in part to be exempt from the provisions of this clause.
- b. For the purposes of enforcing such a lien, the Board may sell the Shares in which the Company has a lien, subject thereto in such manner as they shall think fit;
Provided that no sale of such Shares shall be made:
 - i. unless a sum in respect of which the lien exists is presently payable; or

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

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale. The fully paid Shares shall be free from all lien and that in the case of partly paid shares, the Company's lien, if any, shall be restricted to monies called or payable at a fixed time in respect of such shares.

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

8. Calls on Shares

- a. Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders, in respect of all money unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.
- b. 14 (fourteen) days' notice in writing at the least of every call (otherwise than on the allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.
- c. The call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.
- d. The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.
- e. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.
- f. If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for the payment hereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at a prescribed 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 Shareholder and the Board shall be at liberty to waive payment of such interest

either wholly or in part.

- g. Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time 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 or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- h. The Board may:
 - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board.

Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.
- i. The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.
- j. On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on 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 shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters 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 Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.
- k. The Company may enforce a forfeiture of shares under Article 11 notwithstanding the following:
 - (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share;
 - (ii) part payment or satisfaction of any calls or money due in respect of any such judgment or decree;
 - (iii) the receipt by the Company of a portion of any money, which shall be due from any Shareholder to the Company in respect of his shares; and

- (iv) any indulgence granted by the Company in respect of the payment of any such money.
- l. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. 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 in the manner determined by the Board. 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 instalments 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 money(ies) rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.
- m. No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.
- n. The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

9. Transfer and Transmission of shares

- a. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.
- b. Subject to the provisions of the Act, Depositories Act and other applicable laws, transfer or transmission, as the case may be, of Shares in the Company shall only be allowed in dematerialized form.
- c. Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in these Articles be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the shares.
- d. The Board shall have the power on giving prior notice of such period as may be specified in the Act and/or SEBI Regulations, by advertisement in one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the listed entity is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, as may be prescribed in the Act or SEBI Regulations.
- e. Subject to the provisions of Sections 58 of the Act or SEBI Regulations, these

Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may refuse to issue the letter of confirmation in case of transmission by operation of the law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within such number of days as may be prescribed under the Act, from the date on which the intimation of such transmission, was delivered to the Company, send a notice of refusal to the person giving notice of such transmission, giving reasons for such refusal.

Provided that the issuance of a letter of confirmation shall not be refused on the ground of the transfer or being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on the shares.

- f. In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.
- g. Subject to applicable Laws, the Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders) or his nominee(s), shall be the only Shareholder recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India.
- h. Subject to the provisions of Articles, the Act and other applicable Laws, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, 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, be registered himself as the holder of the shares after obtaining a necessary letter of confirmation.
- i. A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.
- j. The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of the Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities, including debentures of the Company.

10. Dematerialization of Securities

- a. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- b. Subject to the applicable provisions of the Act or SEBI Regulations, the Company

may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned, and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

- c. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

- d. Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

- e. Rights of Depositories & Beneficial Owners:

- i. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

- ii. Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

- iii. Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

- iv. The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

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

- g. Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of Shares and Debentures held in materialized and dematerialized forms in any media as may be permitted by the Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a registered resident in that state or country.

- h. Cancellation of Certificates upon surrender by Person:

Upon receipt of a certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

i. Service of Documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

j. Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of the relevant Securities thereof to the Depository immediately on allotment of such Securities.

k. Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having a certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

l. The Provisions of Articles to apply to Shares held in the Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

m. Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the Law and the Company in that behalf.

n. Option to opt out in respect of any such Security:

Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

o. Overriding effect of this Article:

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

11. Forfeiture of Shares

a. If any member fails to pay any call or instalment of a call or any part thereof or any

money due in respect of any shares either by way of principal or interest 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 instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives 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.

- b. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of the notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.
- c. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share along with principal or interest, if any, and not actually paid before the forfeiture subject to the applicable provisions of the Act.
- d. When any share shall have been so forfeited, a notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if 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 any such entry as aforesaid.
- e. Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- f. Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest, expenses and other money 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, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.
- g. The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- h. A duly verified 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 a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.
- i. 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 of Members 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 of Members 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 and against the Company exclusively.

- j. 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 relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- k. The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
- l. The Directors may, subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

12. Alteration of Share Capital

Subject to these Articles and Section 61 of the Act, the Company may from time to time alter the conditions of its Memorandum as follows, that is to say, it may:

- a. increase its Share Capital by such amount as it thinks expedient;
- b. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares:

Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
- c. convert all or any of its fully Paid-up shares into stock, and reconvert that stock into fully Paid-up shares of any denomination;
- d. sub-divide its existing Shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- e. cancel its Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

13. Increase and Reduction of Share Capital

- a. The Company in a General Meeting may, from time to time, increase its capital by the creation of new shares or the existing un-issued shares of any class may be issued. In the case of new shares upon such terms and conditions, and with such rights and privileges attached thereto as the General Meeting resolving upon

the creation thereof, shall direct, and if no directions be given, and in the case of existing un-issued shares, as the Board shall determine, and in particular in the case of shares as the Board shall determine, and in particular in the case of preference shares such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with rights of redemption.

- b. Subject to any special rights or privilege for the time being attached to any shares in the capital of the Company then issued, the new shares or the existing un-issued shares of any class may be issued. In the case of new shares upon such terms and conditions, and with such rights and privileges attached thereto as the General Meeting resolving upon the creation thereof, shall direct, and if no directions be given, and in the case of existing un-issued shares as the Board shall determine, and in particular in the case of shares as the Board shall determine, and in particular in the case of preference shares such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with rights of redemption.
- c. Before the issue of any new shares, the Company in General Meeting, whenever required by the Act or the SEBI Regulations, may make provisions as to the allotment and issue of the new shares, and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium, or subject to the provisions of the Act and SEBI Regulations, as may be applicable; and upon default of any such provision or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of Article 4.
- d. If owing to any inequality in the number of new shares to and the number of shares held by the members entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in General Meeting, be determined by the Board.
- e. Nothing in this Article 13 shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company in pursuance to the applicable provisions of the Act or SEBI Regulations:
 - (i) To convert such debentures or loans into shares in the Company; or
 - (ii) To subscribe to shares in the Company.

whether such an option is conferred in these Articles otherwise.

Provided that the terms of issue of such debentures or the terms of such loans include as a term providing for such option and such term:

- (a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf; and
 - (b) in the case of debentures or loans or other than debentures issued to or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in the General Meeting before the issue of the debentures or raising of the loans.
- f. The Company may, subject to the applicable provisions of the Act and applicable SEBI Regulations, from time to time by the approval of the shareholders and subject to any incident authorized and consent required by law, reduce its share Capital,

any capital redemption reserve account or the securities premium account in any manner for the time being authorized by Law.

14. Power of the Company to purchase its own securities

Pursuant to the provisions of the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, Rules and subject to compliance with the applicable Laws out of (i) its free reserves; or (ii) the securities premium account; or (iii) the proceeds of the issue of any Shares or other specified securities. or (iv) otherwise as prescribed by the Act or SEBI Regulations, from time to time.

15. The Power to modify rights

- a. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, and the same is affected with the consent in writing subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up.
- b. To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

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

16. Registers to be maintained by the Company

- a. The Company shall keep and maintain at its registered office or such other place as may be allowed under the Act and the Rules, all statutory registers namely, register of Charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of contracts and arrangements etc. register of investments not held in its own name, minutes book of General Meeting, for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.
- b. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.
- c. The registers and indices maintained as per (a.) above, shall be open for inspection during business hours, at such reasonable time on every working day not being less in the aggregate than two hours in each day as the board may decide, by any member or beneficial owner, Debenture holder or Security holder without payment of fee and by any other person on payment of such fee as may be specified by the board which shall not exceed rupees fifty for each inspection. Any Director or Member can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member under provisions of the act by the company, provided he gives fifteen days' notice to the company about his intention to do so.
- d. In the event such a shareholder conducting an inspection of the above-mentioned

documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of the Law. Such copy or entries or return shall be supplied within seven days of the deposit of such fee.

- e. The foreign register (if any) shall be open for inspection and may be closed, and extracts may be taken therefrom, and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the registers as specified above to other Registers.
- f. No person (not being a director) shall have any right to inspect any account or book or document of the company except as conferred by law or authorized by the Board.

17. Shares and Share certificates

- a. The Company shall issue and re-issue shares and deliver the certificate, as the case may be in accordance with the provisions of the Act, applicable SEBI Regulations and other applicable Laws.
- b. The Company shall be entitled to dematerialize its existing Shares, rematerialize its Shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the regulations framed there under, if any.
- c. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- d. When a new share certificate has been issued in pursuance of these Articles, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- e. All blank forms to be used for the issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in the material form shall continue to bear the number by which the same was originally distinguished.
- f. The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (e) of this Article.
- g. All books referred to in sub-article (f) of this Article and in case of disputed cases, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014 or any other applicable provisions of the Act, or SEBI Regulations.
- h. All certificates surrendered to a company shall immediately be defaced by stamping or printing the word "cancelled" in bold letters and may be destroyed after the expiry of three years from the date on which they are surrendered, under the authority of a resolution of the Board and in the presence of a person duly appointed by the Board in this behalf.
- i. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards the delivery of certificate, receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company, except voting at meetings and the transfer of shares,

be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.

- j. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity 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 Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. 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.

18. Nomination by securities holders

- a. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- b. Where the Securities of the Company are held by more than one person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014 or rules issued under the Depositories Act, a person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.
- c. Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.
- d. Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- e. The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

19. Borrowing Powers

- a. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board shall:
 - i. accept or renew deposits from Shareholders;

- ii. borrow money by way of issuance of Debentures;
 - iii. borrow money otherwise than on Debentures;
 - iv. accept deposits from Shareholders either in advance of calls 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, that where the money to be borrowed together with the money 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, its free reserves and securities premium, the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.
- b. Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by resolution passed by circulation) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.
 - c. Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, drawing, attending (but not voting) at the General Meeting, allotment of shares, the appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with the sanction of the Company in General Meeting accorded by a Special Resolution.
 - d. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.
 - e. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such a form as decided by the Board from time to time.
 - f. The Company shall also comply with the provisions of the Act and Rules, in relation to the creation and registration of the aforesaid charges by the Company.

20. Conversion of shares into stock and reconversion

- a. The Company in general meeting may, by approval of the shareholders, may alter its Memorandum of Association to convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those 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 circumstances will admit. The

Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.

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

21. Capitalization of Profits

The Company in General Meeting may, upon the recommendation of the Board, may resolve:

- a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and
- b. that such sum be accordingly set free for distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions;
- c. Notwithstanding anything contained in Article 21(d), the sum aforesaid shall not be paid in cash, but shall be applied either in or towards:
 - i. paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
 - ii. paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
 - iii. partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).
- d. A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

22. Power of Board for capitalization of Reserves and the issue of fractional certificate

- a. The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 22.
- b. Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
 - i. make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
 - ii. generally, do all acts and things required to give effect thereto.

- c. The Board shall have full power:
 - i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of Shares or Debentures becoming distributable in fraction; and
 - ii. to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further Shares or Debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any parts of the amounts remaining unpaid on the shares.
- d. Any agreement made under such authority shall be effective and binding on all such shareholders.

23. Annual General Meeting

In accordance with the provisions of Section 96 of the Act, the Company shall each year hold a General Meeting specifying as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months gap shall elapse between the dates of two consecutive Annual General Meetings.

Provided that if the Registrar, for any special reason, extends the time within which any Annual General Meeting shall be held, then such Annual General Meeting may be held within such extended period.

24. Venue, Day and Time for holding General Meeting

- a. Every General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Registered Office of the Company or at some other place within the city, town or village in which the 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.
- b. Every member of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and or through video conferencing or other audio-visual means as permissible under the applicable law and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

25. Notice of General Meetings

- a. Number of days' notice of General Meeting to be given:

As per the provisions of Section 101 of the Act, a General Meeting of the Company may be called by giving not less than 21 (twenty-one) days clear notice either in writing or through electronic mode, excluding the day on which notice is served or deemed to be served and the date of the meeting. However, a General Meeting may be called after giving shorter notice of the aforesaid 21 days, if consent is accorded thereto in writing or by electronic mode by members of the Company holding not less than 95% of the members entitled to vote at that meeting. The notice of every meeting shall be given to:

- i. Every member, legal representative of any deceased member or the assignee of an insolvent member of the Company,

- ii. Auditor(s), including Secretarial Auditors of the Company,
- iii. All Directors; and
- iv. Such other persons as required under the Act.

The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate the proceedings of such meeting.

- b. Notice of meeting to specify the place, etc., and to contain a statement of business:

Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat and shall be given in the manner prescribed under Section 102 of the Act.

- c. Resolution requiring Special Notice:

With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

- d. Notice of Adjourned Meeting when necessary:

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

- e. Notice when not necessary:

Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

- f. The notice of the General Meeting shall comply with the provisions of the Companies (Management and Administration) Rules, 2014.

26. Requisition of Extraordinary General Meeting

- a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- b. Any valid requisition so made by Shareholders 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.
- c. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (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, such meetings so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- d. Any meeting called under the foregoing sub-articles by the requisitionists, shall be called

in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

- e. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- f. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

27. No Business to be transacted in General Meeting if Quorum is not present

The quorum for the General Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of the Act, if such a quorum is not present within half an hour from the time set for the meeting, the meeting if convened by or upon the requisition of Members under Section 100 of the Act, shall stand dissolved but in case of any other General Meeting shall be 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 as the Board may determine and the agenda for the adjourned General Meeting shall remain the same. If at such adjourned meeting also, 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.

28. Chairperson of General Meeting

As per the provisions of Section 104 of the Act, the Chairperson of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairperson of the Board or if at any meeting, he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairperson. If no Director is present or if all the Directors present decline to take the Chair, then the members present shall elect one of them to be the Chairperson of the meeting. No business shall be discussed at any General Meeting except the election of a Chairperson while the Chair is vacant.

29. Chairperson can adjourn the General Meeting

The Chairperson may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situated but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from where the adjournment took place.

30. Voting

- a. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless voting is carried out electronically, be decided by way of a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act electronically. Unless a poll is demanded, a declaration by the Chairperson that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of the passing of such resolution or otherwise.
- b. In the case of equal votes, the Chairperson shall not have a second or casting vote

in addition to the vote or votes to which he may be entitled as a Shareholder.

- c. If a poll is demanded on any question other than adjournment of the meeting or appointment of Chairman, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situated and either by a show of hands or by ballot or by postal ballot, as the Chairperson 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 decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- d. Where a poll is to be taken, the Chairperson of the meeting shall appoint a such number of scrutinizers as prescribed under the Act and Rules to scrutinize the votes given in the poll and to report thereon to him. The Chairperson shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office, of scrutinizer arising from such removal or from any other cause.
- e. Any poll duly demanded on the election of a Chairperson of a meeting or any question of adjournment, shall be taken at the meeting forthwith in accordance with the provisions of the Act and these Articles.
- f. The demand for a poll except on the question of the election of the Chairperson 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.
- g. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meetings at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
- h. The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

- i. Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company, including the right to vote by proxy.
- j. The Company shall also provide an e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, applicable SEBI Regulations or any other Law, if applicable to the Company and shall vote only once.
- k. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
(ii) For this purpose, seniority shall be determined by the order in which the names

stand in the register of members.

- l. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardians, and any such committee or guardian may, on a poll, vote by proxy.
- m. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- n. The holders of any preference share capital of the Company shall, in respect of such capital, have a right to vote only:

(i) where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company; or

(ii) on resolutions, placed before the Company, which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares.

31. Proxies

- a. A Shareholder may appoint a proxy if allowed under the Act or any other applicable laws either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof, or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting. Further, in the notice of the General Meeting there shall appear with reasonable prominence a statement that a member entitled to attend, and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
- b. A Shareholder present by proxy shall be entitled to vote only on a poll and shall not have the right to speak at such meeting.
- c. Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.
- d. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- e. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

32. Minutes

- i. The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act.
- ii. There shall not be included in the minutes any matter which, in the opinion of the Chairman of the meeting:
 - a. is, or could reasonably be regarded, as defamatory of any person; or
 - b. is irrelevant or immaterial to the proceedings; or
 - c. is detrimental to the interests of the Company.
- iii. The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.
- iv. The minutes of the meeting kept in accordance with the provisions of the Act shall be conclusive evidence of the proceedings recorded therein.
- v. The books containing the minutes of the proceedings of any general meeting of the Company, or a resolution passed by postal ballot shall:
 - a. be kept at the registered office of the Company; and
 - b. be open to the inspection of any member without charge, on such days and during such business hours as may, in that behalf be determined by the Board.
- vi. Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (i) above.

33. Directors

- a. Subject to the applicable provisions of the Act and the SEBI Regulations, the number of Directors of the Company shall not be less than 6 (six) or such lesser number as may be prescribed under the Act and SEBI Regulations and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing a Special Resolution at a General Meeting of the Company. The Board shall have an optimum combination of executive, non-executive, and independent directors with at least 1 (one) woman independent director, or as may be prescribed by Law from time to time. The Company shall also comply with the provisions of the Act, Rules, and the provisions of the applicable SEBI Regulations.
- b. Subject to Article 33(a) of this Article, Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.
- c. The Company may, subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another qualified Director.

34. Chairperson of the Board of Directors

- a. The members of the Board may elect any one of them as the Chairperson of the Board. The Chairperson shall preside at all meetings of the Board and the General Meeting of the Company. The Chairperson shall not have a second or casting vote in the event of a tie.
- b. If for any reason the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson, the members of the Board shall appoint any one of the remaining Directors as the Chairperson.
- c. The Managing Director of the Company can also be appointed as the Chairperson.

35. Appointment of Alternate Directors

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairperson) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director. Further, no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act.

36. Casual Vacancy and Additional Directors

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at anytime and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 33. Any Person so appointed as an addition shall hold office only up to the date of the next Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act and SEBI Regulations. Casual Vacancy in the office of the retiring Director shall be filled as per the provision of the Act and if the office of any director appointed by the Company in a general meeting is vacated before his term of office expires in the normal course, The resulting casual vacancy may, in default of and subject to any regulations be filled by the Board of Directors at a meeting of the Board. However, any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office.

37. Debenture Directors

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person(s)/lender(s) shall have the power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person(s)/lender(s) having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to the Debenture Director. A Debenture Director may be removed from the office at any time by the Person(s)/lender(s) 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 and shall not be liable to retire by rotation or be removed by the Company but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged.

38. Independent Directors

The Company shall have such number of Independent Directors on the Board of the Company, as maybe required in terms of the provisions of Section 149 of the Act and the Rules framed thereunder or as prescribed by SEBI under the SEBI Regulations, or any other Law, as may be applicable time to time. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed by SEBI Regulations.

39. Nominee Directors

The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any Law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding or by the debenture trustee in accordance with the provisions of the applicable SEBI Regulations.

40. The Period of holding of office by Nominee Directors

The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds 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 or pursuant to any private arrangement between the Company and institution and the Nominee Director(s) so appointed in the exercise of the said powers shall ipso facto vacate such office immediately the money(ies) 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 liability of the Company arising out of any guarantee furnished by the Corporation.

41. Appointment of Special Directors

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 152 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.

42. No Qualification Shares for Directors

A Director shall not be required to hold any qualification shares of the Company.

43. Remuneration of Directors

Subject to the applicable provisions of the Act, the Rules and the SEBI Regulations, the remuneration, including sitting fees and commission payable to directors, if any, shall be determined by the Board, from time to time, in accordance with the provisions of the Act and applicable SEBI Regulations.

44. Additional remuneration for extra services rendered by a Director

If any Director be called upon to perform extra services or special exertions or efforts (which expressions shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such additional remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act and the SEBI Regulations.

45. Miscellaneous expenses of Directors

In addition to the remuneration payable to them in pursuance of the Act, the Company may meet/pay all travelling, hotel and other out of pocket expenses incurred by Directors for (a) attending the meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

46. Continuing Directors

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 33 hereof, the continuing Directors 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.

47. Disqualification and Vacation of office by a Director

- a. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in Section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director and subject to the provisions of the Act, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.
- b. Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

48. Retirement of Directors by rotation

- a. At every Annual General Meeting of the company not less than two-thirds of the total number of directors of the company shall be persons whose period of office is liable to determination by retirement of directors by rotation.
- b. At every Annual General Meeting of the Company, one-third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-

election.

- c. The Directors liable to retire by rotation 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. Provided that and to the extent permissible under the Act and subject to the terms and condition of the appointment, the Managing Director, Joint Managing Director, Deputy Managing Director, Manager, or Whole-Time Director(s) appointed or such other directors nominated pursuant to Articles 37, 39 and 41 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

49. Managing Director(s)/Whole Time Director(s)/Executive Director(s)/Manager

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or Joint Managing Director or Whole Time Director or Deputy Managing Director of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors unless otherwise provided in the terms and conditions of their appointment, but their office shall be subject to determination ipso facto if they cease for 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 be so determined. Subject to the applicable provisions of the Act, the Board may in the alternative, from time to time after obtaining such sanctions and approvals as may be necessary, appoint any individual or individuals, who need not be director on the Board, as Manager or Managers under the provisions of Section 203 of the Act for the Company in terms of applicable provisions of the Act and fix the term of his/her remuneration subject to the provisions of the Act.

50. Power and duties of Managing Director(s)/ Whole Time Director(s)/Executive Director(s)/ Manager

Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole-time director(s), executive director(s) or Manager(s) 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.

51. Power to be exercised by the Board only in the meeting

As per the applicable provisions of the Act and subject to these Articles, certain resolutions can only be passed including resolutions mentioned under Section 179 of the Act at a meeting of the Board unless the same be delegated to the extent therein stated.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under Section 180 of the Act.

52. Proceedings of the Board of Directors

- a. At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.
- b. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio-visual means, as may be prescribed under the Act, which are capable of recording and recognizing the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. Any meeting of the Board held through video conferencing or other audio-visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- c. The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairperson or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- d. At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles with a shorter notice in case of any urgent matters as directed by the Chairperson or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director at the said meeting. If an Independent Director is not present at the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one Independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- e. At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

53. Quorum for Board Meeting

- a. Subject to the provisions of Section 174 of the Act and SEBI Regulations, the quorum for each Board Meeting shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director and the presence of Directors by video conferencing or by other audio-visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.
- b. If a meeting of the Board cannot be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairperson or directors present at the meeting.

54. Casting Vote

Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairperson shall not have a second or casting vote. No regulation made by the Company in the General Meeting shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

55. Powers of the Board

The Board may exercise all such powers of the Company, and to do all such acts and things, as the Company is authorized to do, provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act, or in the Memorandum or these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in a general meeting.

However, the Board shall not exercise any power or do any act or thing which is directed or required, whether under the Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in a general meeting.

Notwithstanding anything contained herein-above, no regulation made by the Company in a general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

The Board shall not exercise the powers given under Section 180 of the Act, unless consented to by the Company in a general meeting by way of a Special Resolution in accordance with the provisions of the Act.

56. Committees and delegation by the Board

- a. The Company shall constitute such Committees as may be required under the Act, applicable provisions of the Law and the applicable SEBI Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the key managerial personnel of the Company. The Managing Director(s), the executive director(s) or the manager or the key managerial personnel as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in the exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
- b. Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board 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. 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 purposes of their appointment, but not otherwise shall have the like force and effect as if done by the Board.
- c. The meetings and proceedings of any such Committee of the Board shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto.

57. Acts of Board or Committee valid notwithstanding the invalid appointment

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may 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 valid as if every such person had been

duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been proved/shown to be invalid or to have been terminated.

58. Passing of resolution by circulation

- a. 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 form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case more than one-third of the total number of Directors for the time being require that any, resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board.
- b. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and be recorded in the minutes of such meeting.

59. Minutes of the proceedings of the meeting of the Board and Committees

- a. The Company shall prepare, circulate and maintain minutes of each Meeting of the Board and Committee in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board/Committee Meeting.
- b. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

60. Power of Attorney

The Board may, at any time and from time to time, by Power of Attorney under Seal, if required, appoint any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board may, from time to time think fit; any such appointments may, if the Board thinks fit to be made in favour of the members of Board or in favour of the Company or of the members, Directors, nominees, or officers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorneys as the Board thinks fit.

61. Key Managerial Personnel

The Board of Directors may appoint Managing and/or Whole-time Director(s) (including Joint/ Deputy Managing Directors and Executive Directors) and/or Chief Executive Officer, or a Manager, Chief Financial Officer, Company Secretary and other officers to manage the affairs of the Company for such remuneration and on such terms and conditions with the sanction when so required by the Act, of the members in a General Meeting and/or approval of the Central Government. Subject to the provisions of the Act, a provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company

secretary or chief financial officer.

62. Seal

- a. The Board may provide a Seal of the Company and shall have power from time to time to substitute or destroy the same and substitute a new Seal in lieu thereof.
- b. Subject to Article 62 (a), the Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, in the presence of at least one Director and of the Secretary or such other person as the Board may appoint for the purpose; and the said Director and the Secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

63. Dividend

- a. The profits of the Company, subject to any special rights relating thereto being created or authorized to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders, in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall, unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- b. Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Final Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in the General Meeting may declare a lesser Dividend and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- c. No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 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, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.
- d. Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
- e. Where Capital is paid in advance of calls upon the footing that the same shall carry the interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- f.
 - i. Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid, but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
 - ii. No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares.
 - iii. All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on

terms providing that it shall rank for Dividends from a particular date such shares shall rank for Dividend accordingly.

- g. Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
- h. Any one of several Persons who are registered as the joint holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- i. Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
- j. Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- k. No unpaid Dividend shall bear interest as against the Company.

64. Unpaid or Unclaimed Dividend

- a. Subject to the provisions of the Act, if the dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.
- b. Subject to the provisions of the Act, any money so transferred to the unpaid Dividend account of the Company, which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".

65. Accounts

The books of accounts shall be kept at the Registered Office of the Company or at such a place as the Directors think fit.

Subject to the provisions of the Act, the Board shall from time to time determine whether, and to what extent and at what times and places and under what conditions or regulations the accounts and Books of the Company or any of them shall be open to inspection by members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Directors or by the Company in a General meeting,

The Company shall comply with the requirements of Section 136 of the Act.

66. Documents and Notices

- a. A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier or by any electronic means to him to his registered address/e-mail address.

- b. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have 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 case, at the time at which the letter would be delivered in the ordinary course of post or the cable would be transmitted in the ordinary course.
- c. A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Members in respect of the Share.
- d. 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 previous to his name and address is entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- e. Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorized by the Board for such purpose and the signature thereon may be written, printed, Photostat, lithographed or affixed digitally.
- f. All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- g. Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company.

Provided that the Company shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.

67. Service on Members having no registered address

If a Shareholder does not have registered address in India, and has not provided to the Company any address within India, for the giving of the notices to him, a document advertised in one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the listed entity is situated and by publishing a notice on the website of the Company.

68. Notice by Advertisement

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

69. Winding up

Subject to the applicable provisions of the Act and the rules made thereunder:

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

70. Indemnity

Every officer of the company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

71. Director's etc. not liable for certain acts

Subject to the provisions of the Act, no Director, Manager or officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or officer.

72. Signing of Cheques

Subject to applicable Law and Section 22 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the Company, shall be signed, drawn, accepted, or otherwise executed as the case may be, in such manner as the Board shall from time to time by resolution determine.

73. Secrecy of works or information

No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively of any details of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

74. Duties of the Officer to observe secrecy

Every Director, Managing Directors, Manager, Secretary, Auditor, trustee, members of the committee, officer, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties,

or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all technical and business information of the Company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law, except so far as may be necessary in order to comply with any of the provision of these Articles or Law.

75. Secretarial Standards

The Company shall comply with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India with respect to the Board and General Meetings respectively or any other mandatory Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

76. Authorizations

- a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein.
- b. If, pursuant to the approval of these Articles, if the Act requires any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case, these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

Names, addresses, descriptions and occupation of subscribers	Signature of Subscribers	Name, addresses, description, and occupation of witness
1. Bhai Analjit Singh S/o Bhai Mohan Singh 15, Aurangzeb Road New Delhi – 110011 (Service)	Sd/-	I witness the signature of all the subscribers
2. Rajender Nakra S/o Sh. K.G. Nakra B-24, Panch Sheel Enclave New Delhi – 110017 (Service)	Sd/-	
3. Mukesh Mittal S/o Sh. K. K. Mittal M-48, Rajouri Garden New Delhi – 110027 (Service)	Sd/-	
4. Deepak Singhal S/o Sh. R.C. Singhal 38-Pocket-B, Sukhdev Vihar New Delhi – 110023 (Service)	Sd/-	
5. S. Kaul S/o Sh. B.N. Kaul B-3/42, Ashok Vihar-II New Delhi – 110052 (Service)	Sd/-	
6. Bishwajit Das S/o Sh. B.P. Das J-76, Saket New Delhi – 110017 (Service)	Sd/-	
7. Yogesh Kumar Goel S/o Sh. Brehma Sarup Goel 1194/15-B, Chandigarh (Service)	Sd/-	

Sd/-
(V. Kathiresan)
S/o Sh. N. Velayudhan, H. No. 1173, Sector 3, Pushpa Vihar, New Delhi – 110017
(Service)

Place: Jalandhar

Date: 24th February, 1988

(THE COMPANIES ACT, 1956)
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
MAX FINANCIAL SERVICES LIMITED
(Formerly Max India Limited)

PART-I

Interpretation

1. Unless the context otherwise requires, words of expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date on which these Articles become binding on the Company. The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents unless there be something in the subject or context inconsistent therewith.
“The Act” means the Companies Act, 1956, and includes where the context so admits any re-enactment or statutory modification thereof for the time being in force.
“These Articles” means these Articles of Association as originally framed or as from time to time altered by Special Resolution.
“The Company” means the above named Company’.
“The Directors” means the Directors of the Company.
“The Board of Directors” or “The Board” means the Board of Directors of the Company.
“The Managing Director” means the Managing Director of the Company.
“The Office” means the Registered Office of the Company.
“Register” means the Register of Members of the Company required to be kept under Section 150 of the Act.
“The Registrar” means the Registrar of Companies, as defined by Section 2 (40) of the Act.
“The Secretary” means the Secretary of the Company.
“Dividend” includes bonus but excludes bonus shares.
“Month” means calendar Month.
“Year” means a Calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2 (17) of the Act.
“Seal” means the Common Seal of the Company.
“Proxy” includes Attorney duly constituted under a Power-of Attorney.

Table “A” not to apply

2. Save as reproduced herein the regulations contained in Table “A” in Schedule I, to the Act shall not apply to the Company.

Buy back of shares

- *3. Notwithstanding anything to the contrary contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of

* New Article was substituted vide Special Resolution passed at Annual General Meeting held on October 22, 1998.

Directors of the Company may and if thought fit, buy back such of Company's own shares or securities as it may think necessary, subject to such limit, upon such terms and conditions and subject to such approvals, permissions, consents as may be permitted by the law.

- * 4. The Authorised Share Capital of the Company shall be as specified from time to time, in the Memorandum of Association of the Company. The Share Capital of the Company shall comprise of Equity Shares and/or Preference Shares of such amount as may be determined by the Board, from time to time, with power to increase, reduce, subdivide or to repay the same or divide the same into several classes and to attach thereto any rights and to consolidate or subdivide or reorganize the shares, subject to Section 106 of the Act, to vary such rights as may be determined in accordance with the regulations of the Company.
- Issue of new shares.* 5. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such persons, on such, terms and conditions and at such times, either at par or at premium and for such consideration as the Board thinks fit, Provided that where at any time it is proposed to increase the subscribed capital of the Company by the allotment of further shares, then subject to the provisions of Section 81 (1A) of the Act the Board shall issue such shares in the manner set out in Section 81 (1) of the Act. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.
- Return of allotment.* 6. As regard all allotments made, from time to time, the Directors shall duly comply with Section 75 of the Act.
- Redeemable Preference Shares.* 7. Subject to the provisions of these Articles the Company shall have power to issue preference shares carrying a right of redemption out of the profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or liable to be redeemed at the option of the Company and the Board may, subject to the provisions of Section 80 of the Act exercise such powers in such manner as may be provided in these Articles.
- Commission and brokerage.* 8. The Company may exercise the powers of paying commission conferred by Section 76 of the Act and in such case it shall comply with the requirements of that Section. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.
- Shares at a discount.* 9. With the previous authority of resolution passed by the Company in General Meeting and the sanction of the Company Law Board and upon otherwise complying with Section 79 of the Act, the Directors may issue at a discount shares of a class already issued.
- Installments on shares to be duly paid.* 10. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- Liability of joint holders of shares.* 11. The joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares.
- Trust not recognised.* 12. Subject to provisions of Section 187 C of the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction, or as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.

* Article No. 4 was substituted vide Special Resolution passed at Extra-ordinary General Meeting held on February 26, 2007.

- Who may be registered.* 13. Shares may be registered in the name of any person, Company or other body corporate. Not more than four persons shall be registered as joint holders. No share shall be allotted to or registered in the name of person of unsound mind or a partnership.
- Dematerialisation of Securities* *13A. (1) For the purpose of this Article :
- 'Beneficial Owner'** means a person or persons whose name is recorded as such with a Depository.
- 'Depository'** means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992.
- 'SEBI'** means the Securities & Exchange Board of India established under Securities & Exchange Board of India Act, 1992.
- Dematerialisation/ rematerialisation of Securities* (2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities, rematerialise its securities and/or to offer securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996.
- Option for Investors* (3) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.
- If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- Securities in Depositories in fungible form* (4) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- Rights of Depositories and Beneficial Owners* (5) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- Service of Documents* (6) Notwithstanding anything contained in the Act or these Articles to the contrary, where Act securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivering of floppies or discs.

* New Article was substituted vide Special Resolution passed at Annual General Meeting held on October 22, 1998.

- Transfer of Securities* (7) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- Allotment of Securities dealt with in a Depository* (8) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- Distinctive numbers of Securities held on Depository* (9) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
- Register of Beneficial Owners* (10) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Securityholders for the purposes of these Articles.

SHARE CERTIFICATES

- Issue of Share Certificates.* 14. (a) The issue of share certificate and duplicate and the issue of new share certificates on consolidation or sub-division or in replacement of share certificates which are surrendered for cancellation due to their being defaced torn, old, decrepit or worn out or the cages for recording transfer having been utilised or of share certificates which are lost or destroyed shall be in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or any statutory modification or re-enactment thereof. If any share certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board and on such indemnity as the Board thinks fit being given a new certificate in lieu thereof shall be given to the party entitled to the shares to which such lost or destroyed certificate shall relate, provided no fee shall be charged for splitting or consolidation of share certificates in lots of market unit or for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised.
- Members right to Certificate.* * (b) Every member shall be entitled, free of charge to one certificate under the Common Seal of the Company, for all the shares of each class registered in his name, or if the Board so approves, to several certificates each for one or more of such class of shares. The Company, unless prohibited by any provision of law or any Order of any Court, Tribunal or other Authority shall within three months after the date of allotment and on surrender to the Company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptance or of renunciation or in case of issue of Bonus Shares) of any of its shares or debentures stock and within two months after receipt of the application for the registration of the transfer of any such shares and debentures, as the case may be deliver in accordance with the procedure laid down in Section 53 and any other applicable provisions of the Act, the certificate (s) of all shares or debentures allotted/transferred.
- Calls* 15. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the provisions of Section 91 of the Act, make such calls, as the Board thinks fit, upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by installments and shall be deemed to have been made when the resolution of the Board authorising such call was passed.

* Article No. 14(b) altered vide Special Resolution passed on November 30, 1988.

- Restrictions on powers to make* 16. No call be made payable within one month after the last preceding call was payable.
- Notice of call.* 17. Not less than 30 days notice of any call shall be given specifying the time and place of payment and to whom such calls shall be paid.
- When interest on call or installments payable.* *18. (a) If the sum payable in respect of any call or installment be not paid on or before the day of appointment for payment thereof, the holders for the time being in respect of the share for which the call shall have been made or the installment shall be due shall pay interest upon the same at the rate of 18 percent per annum from the day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.
- (b) The Board shall be at liberty to waive payment of any such interest either wholly or in part.
- Amount payable at fixed times or payable by installments as call.* 19. If by the terms of issue of any share or otherwise any amount is made payable upon allotment or at any fixed time or by installments at fixed times, whether on account of the nominal value of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions contained in respect of call shall relate to such amount or installment accordingly.
- Evidence in actions by company against shareholders.* 20. On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is, or was when the claim arose on the Register as a holder, on one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- Payment of calls in advance.* 21. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money due upon the share held by him beyond the sum actually called for and upon the money so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding unless the Company in general meeting shall otherwise direct, 12 (Twelve)percent per annum as the member paying such sum in advance and the Board agree upon. But the money so paid in excess of the amount of calls shall not rank for dividends or participate in profits. The Board may at any time repay the amounts so advanced upon giving to such member not less than three months notice in writing.
- Revocation of call.* 22. A call may be revoked or postponed at the discretion of the Board.

FORFEITURE & LIEN

- If call or installment not paid notice may be given.* 23. If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

* Article 18 (a) altered vide Special Resolution passed on November 30, 1988.

- Form of Notice.* 24. The notice shall name a day (not being less than thirty days from the date of service of the notice) and a place or places on and at which such call or installment and such Interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time, and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.
- If notice not complied with shares may be forfeited.* 25. If the requirement of any such notice as aforesaid be not complied with any shares in respect of which such notice has been given may, at any time thereafter, before, payment of all calls or installments interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect.
- Notice after forfeiture.* 26. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- Forfeited share to become property of the Company.* 27. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, or otherwise dispose of the same in such manner as it thinks fit.
- Power to annul forfeiture.* 28. The Board may, at any time, before and so forfeited share shall have been sold, or otherwise disposed of annul the forfeiture thereof upon such conditions as it thinks fit.
- Liability on forfeiture* 29. A person whose share has been forfeited shall cease to be a member in respect of such share, but shall, notwithstanding such forfeiture, remain liable to pay, and shall, forthwith pay to the Company all calls, or installments, interests and expenses, owing upon or in respect of such share, at the time of the forfeiture, together with interest thereon, from the time of forfeiture, until payment, at 12 (Twelve) percent per annum or at such lower rate as the Board may determine and the Board may enforce, the payment thereof, or any part thereof without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.
- Evidence of Forfeiture.* 30. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, given for the shares on the sale or disposition thereof shall constitute a good title to such share. The person to whom any such share is sold shall be registered as the holder of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture sale or disposition.
- Forfeiture provision to apply to non-payment.* 31. The provisions of Articles 23 to 27 hereof shall apply in the case of non payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.
- * 32. The Company shall have a first and paramount lien upon every share (not being a fully paid up share) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for money called or payable at a fixed time in respect of such shares, whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 12 hereof is to have full effect.

* Article 32 altered vide Special Resolution passed on November 30, 1988.

Fully paid shares shall be free from all lien, and that in the case of partly paid shares, the company's lien shall be restricted to money called or payable at a fixed time in respect of such shares

Unless otherwise agreed, the registration of transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

- As to enforcing lien by sale* 33. For the purpose of enforcing such lien the Board may sell the Share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee, curator bonis or other legal representative, as the case may be, and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such share for 30 days after the date of such notice.
- Application of proceeds of sale* 34. The net proceeds of the sale shall be received by the Company and shall after payment of costs of such sale be applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable (as existed upon the share before the sale) and the residue shall be paid to the persons entitled to the share at the date of the sale.
- Validity of sales in exercise of lien and after forfeiture.* 35. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the power hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money, and after his name has been entered in the Register in respect of such share 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 and against the Company exclusively.
- Board may Issue new certificate.* 36. Where any share under the powers in that behalf herein-contained is sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such share, the Board may issue a new certificate for such share, distinguishing it in such manner as it may think fit from the certificate not so delivered up.

TRANSFER AND TRANSMISSION

- Execution of transfer etc.* * 37. Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or, if no such certificate is in existence, the letter of allotment of the share. The instrument of transfer of any share shall specify the name, address and occupation, if any, of the transferee and the transferor shall be deemed to remain the member in respect of such shares until the name of the transferee is entered in the register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address.
- Application for registration of transfer.* 38. Application for the registration of the transfer of a share may be made either by the transferor, or the transferee, provided that where such application is made by the transferor, no registration shall in the case of a partly paid share be effected unless the Company gives the notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles the Company shall unless objection is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee on the conditions as if the application for registration of the transfer was made by the transferee.

* Article 37 altered vide Special Resolution passed on November 30, 1988.

- Form of Transfer.* 39. The instrument of transfer shall be in writing in such form as may be prescribed by the Act, and all the provisions of Sections 108 of the Act, and of Statutory modification thereof for the time being in force shall be duly complied with in respect of all transfers of shares and the registration thereof.
- Restriction on Transfer.* 40. Subject to the provisions of Section 111 of the Act, the Board, without assigning any reason for such refusal may, refuse to register any transfer of, or the transmission by operation of law of the right to a share other than fully paid up. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or Jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on shares.
- Transfer to minor etc.* 41. No transfer shall be made to partnership firm or a person of unsound mind. However, fully paid up shares may be transferred in the name of a minor through his guardian.
- Transfer be left at office and when to be retained.* 42. Every instrument of transfer shall be left at the office for registration, accompanied by the certificate of the share to be transferred or, if no such certificate is in existence, by the letter of Allotment of the share and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share, and the transferor shall (Subject to the Board's right to decline to register hereinbefore mentioned) be registered as a member in respect of such share. Every instrument of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.
- Notice of refusal to register transfer* 43. If the Board refuses, whether in pursuance of article 40 or otherwise to register the transfer of, or the transmission by operation of law of the right to any, share, the Company shall give notice of the refusal in accordance with the provision of Section 111 (2) of the Act.
- Fee on registration of transfer.* 44. No fee shall be charged by the Company of registration of transfer.
- Suspension of registration of transfer.* 45. Subject to the provisions of section 154 of the Act, the registration of transfer may be suspended at such time and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
46. Deleted.
- Transmission of registered shares.* 47. The executor or administrator of a deceased member (not being one of the several joint-holders) shall be the only person recognised in the name of such member, and in case of the death of anyone or more of the joint- holders of any registered share, the survivor shall be the only person recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on the share held by him jointly with any other person Before recognising any executor or administrator the Board may require him to obtain a grant of Probate or letters of Administration or other legal representation, as the case may be from a court in India competent to grant it. Provided, nevertheless, that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the board to dispense with the production of probate or letters of Administration or such other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may think fit.
- As to transfer of shares in insane, minor, deceased, bankrupt members,* 48. Any Committee or curator points of a lunatic or guardian of a minor member or any person becoming entitled to a share in consequence of insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under

this article or of his title as the Board thinks sufficient, may, with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share, or may subject to the regulation as to transfer, herein contained transfer such shares.

- Transmission Article.* 49. (a) If the person so becoming entitled under the Transmission Article shall elect to be registered as holder of the share himself, he shall deliver or send to Company a notice in writing signed by him stating that he so elects.
- Election under the Transmission Article* (b) If the person aforesaid shall elect to transfer to share, he shall testify his election by executing an instrument of transfer of the share.
- (c) All the limitations restrictions and provisions of these Articles relating to the right to transfer and the registration of instrument of transfer of a share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were signed by that member.
- Rights of persons entitled to shares under the transmission Article.* 50. A person so becoming entitled under the Transmission Article to shares by reason of the death, lunacy, bankruptcy or insolvency of the holder shall subject to the provisions of Article 85 and of Section 206 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the Registered holder of the shares. 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 shares. and if the notice is not complied with within ninety days the Board may thereafter with-hold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

ALTERATION OF CAPITAL

- Power to increase capital.* 51. The company may, from time to time, by ordinary resolution alter conditions of its Memorandum of Association to increase its capital by the creation of new share of such amount and class as may be specified in the resolution.
- On what condition new shares may be issued.* 52. Subject to any special rights for the time being attached to any share in the capital of the Company then issued and to the provisions of Section 81 of the Act the new shares may be issued upon such terms and conditions, and with such rights attached thereto as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Board shall determine, and in particular such shares may be issued with a preferential right to dividends and in the distribution of assets of the Company.
- Keeping in abeyance rights shares pending transfer* * 52A. Notwithstanding anything contained in Article 52 or the Act, the offer of Rights Shares under Section 81 (1) (a) of the Act on Shares in respect of which instrument of transfer of shares has been delivered to the Company for registration and the transfer of shares has not been registered by the Company shall be kept in abeyance pending transfer.
- Provision relating to the issue.* 53. Before the issue of any new shares, the Company in general meeting may, subject to the provisions of the Act, make provisions as to the allotment and issue of shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at premium or at a discount.
- Ranking of new shares with existing shares.* 54. 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 part of the then existing

* Article No. 52-A inserted vide Special Resolution passed on October 22, 1990.

capital of the Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and installments, transfer and transmission, forfeiture, lien, surrender and otherwise.

- Inequality in number of new shares.* 55. If, owing to any inequality in the number of new shares to be issued, and the number of shares held by members entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting be determined by the Board.
- Reduction of capital etc.* 56. The Company may, from time to time, by special resolution reduce its Capital, and Capital Redemption Reserve Account or Share Premium Account in any manner and with and subject to any incident authorised and consent required by law. Notwithstanding anything contained in these Articles so long as any money remains due by the Company under or by virtue of any deed of mortgage executed by the Company in favour of the Corporation, no change will be made in the capital or by issue of further shares or otherwise whatsoever save with the previous consent in writing of the Corporation.
57. The Company may, from time to time, by ordinary resolution:
- (a) Consolidate and divide all or any of its shares into shares of larger amount than its existing shares;
 - (b) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived:
 - (c) Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of shares so cancelled.
- Surrender of shares.* 58. Subject to the provisions of Sections 100 to 105 of the Act, the Board may accept from any member the surrender on such terms and conditions, as shall be agreed of all or any of his shares.
- Conversion of shares into Stock,* 59. The Company may, from time to time, by ordinary resolution,
- (a) convert any fully paid up shares into stock, and
 - (b) reconvert any stock into fully paid up shares of any denomination.
- Transfer of Stock.* 60. The holders of stock may transfer the same or any part thereof in the same manner and also subject to the same regulations under which, the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; and the Board may, from time to time, fix the minimum amount of stock transferable, provided that such minimum shall not exceed the nominal amount of the shares from which stock arose.
- Rights of Stock-holders.* 61. 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 the meetings of the company, and other matters as they hold the shares from which the stock arose, but no such privileges or advantages (except participation in the dividends and profits of the Company and in the assets on a winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- “Stock” and “Stock holder”.* 62. Such of the Articles of the Company (other than relating to share warrants) as are applicable to paid up shares shall apply to stock and the words “Share” and “Share-holder” therein shall include “Stock and ” and “Stock-holder” respectively.

SHARE WARRANTS

- Power to issue Warrants.* 63. Subject to the provisions of Sections 114 and 115 of the Act and subject to any directions which may be given by the Company in general meeting, the directors may issue share warrants in such manner and on such terms and conditions as the Board thinks fit. In case of such issue, regulations 40 to 43 of Table “A” in Schedule 1 to the Act shall apply.

MODIFICATION OF RIGHTS

- Power to modify rights.* 64. The rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of Section 106 and 107 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at separate meeting of the holders of the shares of that class. In every such separate meeting the provisions of these Articles relating to general meeting shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least, holding or representing by proxy one- third of the issued shares of that class.

BORROWING POWERS

- Power to borrow.* 65. The Board may, from time to time, at its discretion, subject to the provisions of Sections 58 A, 292, 293 and 370 of the Act, raise or borrow either from the Directors or Central Government or State Governments, Bank, Corporation or any other party or parties and secure the payment of any sum of sums of money for the purposes of the Company. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and, in particular by the issue of bonds perpetual or redeemable debentures or debenture stock or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company both present and future) including its uncalled capital for time being, and Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable thereon, and shall subject to the Provisions of section 310 of the Act, be entitled to receive such payment as consideration for giving guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the Company or upon any of its property or assets or otherwise. Notwithstanding anything contained in these Articles and so long as any money remains due by the Company to the Corporation under or by virtue of any Deed of Mortgage executed by the Company in favour of the Corporation the following provisions shall have effect;
- (i) No Director shall be entitled to receive any payments as consideration for giving any guarantee in respect of loan by the Corporation to the Company.
 - (ii) The Company, the Directors or the Managing Director shall not create, purport or attempt to create, without the previous consent in writing of the Corporation, any charge or mortgage or other encumbrance, in respect of the properties or assets mortgaged and charged in favour of the Corporation or any part thereof in respect of any of the machinery stores and machinery spares belonging to the Company.
- Issue at discounts etc. or with special privileges.* 66. Any debentures or debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special rights, as to redemption, surrender, drawing, allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stock, bonds and other securities may be made assignable free from any

equities between the Company and the person, to whom the same may be issued. Provided that debentures with the right to allotment of or conversion into share shall not be issued except in conformity with the provisions of Section 81 (3) of the Act.

- Instrument of transfer of debentures.* 67. Save as provided in section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company together with the certificate or certificates of the debentures.
- Refusal to register transfer.* 68. Subject to the provisions of Section 111 of the Act, the Board may without assigning any reason refuse to register the transfer of any debenture.

GENERAL MEETING

- When Annual General Meeting to be held* 69. In addition to any other meetings, Annual General Meetings of the Company shall be held within such intervals as are specified in Section 166 (1) read with Section 210 of the Act and subject to the provisions of Section 166 (2) of the Act at such times and places as may be determined by the Board. All other meetings of the Company, shall except in the case of the statutory meeting, be called Extra-ordinary General Meetings and shall be convened under the provisions of the next following Article.
- When Extraordinary meeting to be called,* 70. The Directors may, whenever they think fit, call an Extraordinary general Meeting, and an extraordinary General Meeting shall also be held on such requisition or in default may be called by such requisitionists, as provided by Section 169 of the Act. If at any time there are not within India sufficient Directors capable of acting to form a quorum by Directors any two members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible as that in which meeting may be called by the Directors.
- Circulation of member's resolution.* 71. The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.
- Notice of Meeting.* 72. Subject to the provisions of Sections 171 and 176 (2) of the Act, notice of every meeting of the Company shall be given to such persons and in such manner as provided by Section 172 of the Act. where any business consists of "Special business" as hereinafter defined in Article 74, there shall be annexed to the notice a statement complying Section 173(2) and (3) of the Act.
- Accidental Omission to give notice.* 73. The accidental omission to give any such notice to or the non-receipt thereof by any member or other persons to whom it should be given, shall not invalidate the proceedings of the meeting.

PROCEEDINGS AT GENERAL MEETING

- Business of Meetings.* 74. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at the Annual General Meeting and all business at any other general meeting shall be deemed Special business.
- Quorum be present when business commenced.* 75. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided five members present in person shall be quorum.
- When quorum not present meeting to be dissolved and when to be adjourned.* 76. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned in accordance with the provisions of sub-sections (3), (4) and (5) of Section 174 of the Act.

- Resolution to be passed by the Company in general meeting.* 77. Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in general meeting be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 189(1) of the Act, unless either the Act or these Articles specifically require such act to be done or resolution passed as a Special Resolution as defined in Section 189(2) of the Act.
- Chairman of General Meeting.* 78. The Chairman of the Board shall be entitled to take the chair at every general meeting. If there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act, the members present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the members present shall, on a show of hands or on a poll if properly demanded, elect one of their number being a member entitled to vote, to be the Chairman of the meeting.
- How questions to be decided at meetings casting vote.* 79. Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes both on a show of hands and on a poll, the chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as member.
- What is to be evidence of the passing of a resolution where poll not demanded.* * 80. At any General Meeting a resolution put to vote shall be decided on show of hands, unless before or on the declaration of the result of the show of hands, a poll is ordered to be taken by the Chairman of the meeting of his own motion or unless a poll is demanded by a member or members present in person or by proxy and holding shares in the Company :
- (i) Which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution; or
 - (ii) on which an aggregate sum of not less than Rs. 50,000 has been paid up.
- The demand for 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 that resolution.
- Poll.* 81. (1) If a poll be demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting and in any other case in such manner and at such time not being later than forty eight hours from the time when the demand was made, and at such place as the Chairman of the meeting directs and subject to as aforesaid, either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.
- (2) The demand for a poll may be withdrawn at any time by the person or person who made the demand.
- (3) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers, one at least of whom shall be a member (not being an officer or employee of the Company) present at the meeting provided such a member is

* Article No. 80 is amended vide Special Resolution passed on October 22, 1990.

available and willing to be appointed to scrutinies the votes given on the poll and to report to him thereon.

- (4) On a poll, 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 of his votes or cast in the same way all the votes he use.
- (5) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Power to adjourn general meeting.

82. (1) The Chairman of a general meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjournment meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or the business to be transacted at an adjourned meeting, if it is adjourned for less than 30 days.

Votes on show of hand and on poll.

83. Subject to the provisions of the Act and particularly of Sections 87, 88, 92(2) and 108D thereof and of these Articles:
 - (1) upon a show of hands of every member holding equity shares and entitled to vote and present in person (including an attorney or a representative of a body corporate) shall have one vote:
 - (2) upon poll the voting right of every member holding equity shares and entitled to vote and present in person (including a corporation or company present as aforesaid) or by attorney or by proxy shall be in the same proportion as the capital paid on the equity share or shares (whether fully paid or partly paid) held by him bears to the total paid up equity capital of the Company;
 - (3) upon a show of hands or upon a poll, the voting right of every member holding preference shares shall be subject to the provisions, limitations and restrictions laid down in Section 87 of the Act.

Procedure where a company is member of the Company.

84. Where a company or a body corporate (hereinafter called "member company") is a member of the Company, a person duly appointed by resolution in accordance with the provisions of Section 187 of the Act to represent such member company at meeting of the Company shall not, by reason of such appointment, be deemed to be a proxy, and lodging with the Company at the office or production at the meeting of a copy of such resolution duly signed by one Director of such member Company and certified by him as being a true copy of the resolution shall, on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the member company which he represents, as that member company could exercise if it were an individual member.

Votes in respect of deceased, insane and insolvent member.

85. Any person entitled under the Transmission Article to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the member registered in respect of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to transfer such shares, unless the Board shall

have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non-compos mentis, he may vote whether on a show of hands or a poll by his committee; curator or other legal curator and such last- mentioned persons may give their votes by proxy.

- Member registered jointly.* 86. Where there are members registered jointly in respect of any one share any one of such person may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto. and if more than one of such members be present at any meeting either personally or by proxy then one of the said members so present whose name stands first on the Register in respect of such share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of this Article, be deemed to be members registered jointly in respect thereof.
- Vote on poll.* 87. On a poll, votes may be given either personally or by proxy, or in the case of a body corporate by a representative duly authorised as aforesaid.
- Instrument appointing proxy to be in writing.* 88. The instrument appointing a proxy be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a body corporate be under its common seal or the hand of its office or attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a Special Proxy, any other proxy shall be called General proxy.
- Proxies may be general or special.* 89. A person may be appointed a proxy though he is not a member of the Company and every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and that the proxy need not be a member of the Company
- Instrument appointing a proxy to be deposited at the office.* 90. 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 office not less than forty eight hours before the time for holding the meeting at which the person named in default the instrument on proxy shall not be treated as valid.
- When vote by proxy valid although authority revoked,* 91. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the Office before the vote is given. Provided nevertheless that the Chairman of the meeting shall be entitled to require such evidence as he may in his discretion think fit, of the due execution of instrument of proxy and that the same has not been revoked.
- Form of instrument appointing proxy* 92. An instrument appointing proxy, whether for a specific meeting or otherwise, shall be in either of the forms in Schedule IX to the Act, or a form as near thereto as circumstances admit.
- Restriction on voting.* 93. No member shall be entitled to exercise any voting right either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- Admission or rejection of votes* 94. (1) An objection as to the admission or rejection of any vote either, on a show of hands, or on a poll, made in due time shall be referred to the Chairman of the meeting who shall

forthwith determine the same and such determination made in good faith shall be final and conclusive.

- (2) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote disallowed at such meeting shall be valid for all purposes,

DIRECTORS

- Number of Directors* *95. The number of Directors of the Company shall not be less than three (3) or more than twenty one (21), excluding any Debentureholder Director or Alternate Director, provided that any increase in the number of Directors in Office beyond 12 (twelve), would require the approval of the Central Government under Section 259 of the Act”.
- Company in General Meeting to increase or decrease number of Directors.* 96. The Company in general meeting may, from time to time, increase or reduce the number of Directors within the limits fixed by Article 95.
- First Directors.* 97. The persons hereinafter named shall become and be the first Directors of the Company:–
1. BHAI MOHAN SINGH
 2. BHAI ANALJIT SINGH
 3. SHRI RAJENDER NAKRA
98. Notwithstanding anything to the contrary contained in these Articles so long as any moneys shall be owing by the Company to Industrial Development Bank of India (IDBI), or Industrial Finance Corporation of India (IFCI), or the Industrial Credit and Investment Corporation of India Limited. (ICICI), or Life Insurance Corporation of India (LIC), or Unit Trust of India (UTI) or any other Financing Corporation or Company or Body (hereinafter referred to as The Corporation), or so long as the Corporation holds any shares/debentures in the Company as a result of subscription or underwriting, or conversion of loan/debenture into equity capital of the Company or so long as any guarantee given by the Corporation in respect of any financial obligation or commitment of the Company remains outstanding the Corporation shall, pursuant to an agreement between it and the Company, have a right to appoint one or more persons as Director(s) on the Board of Directors of the Company (each such director is hereinafter referred to as “the Nominee Director”). The Nominee Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. The Corporation may at any time and from time to time remove the Nominee Director appointed by it and may, in the event of such removal and also in the case of death or resignation of the Nominee Director, appoint another in his place and also fill any vacancy which may occur as a result of the Nominee Director ceasing to hold office for any reason whatsoever. Such appointment or removal shall be made in writing by the Corporation and shall be delivered to the Company at its Registered Office. The Board of Directors of the Company shall have no power to remove the Nominee Director from Office. Each such Nominee Director shall be entitled to attend all general meetings and meetings of the committee of which he is member, and he and the Corporation appointing him shall also be entitled to receive notice of all such meetings. The Nominee Director shall be paid normal fees and expenses to which other Directors are entitled, provided that if the Nominee Director nominated by IDBI is an Officer of the

* Article No. 95 is amended vide Special Resolution passed in EGM held on March 19, 1993.

Reserve Bank of India (RBI) or (IDBI), unless IDBI otherwise directs, no sitting fees shall be payable to him but the Company shall reimburse RBI or IDBI as the case may be, the amount paid or payable under its rules to such Nominee Director on account of travelling and halting allowances and any other expenses for attending any meeting of the Board or Committee.

- Share qualification of Director.* 99. Unless otherwise determined by a Special resolution in a general meeting of the Company amending this Article a Director of the Company shall not be required to hold any share as his qualification.
- Director's remuneration.* ** 100. The Director shall receive and the Company shall pay remuneration not exceeding such sum as may be prescribed by the Act or the Central Government in that behalf towards fee for attending meetings of the Board or its Committees as may be determined by the Board from time to time.
- Remuneration for extra services.* 101. If a Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of residence for any of the purposes of the company or in giving special attention to the business of the Company or as a member of a Committee to the Board then, subject to the provisions of Section 198, 309, 310 and 314 of the Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.
101. (a) The directors subject to the provisions of Sections 198 and 309 of the Companies Act, 1956 and amendments hereafter may be paid Commission by way of additional remuneration not exceeding 1% of net annual profits of the company computed in the manner laid down in section 349, 350 and 351 of the Companies Act, 1956 such commission may be divided equally amongst the directors on the board on the last day of the financial year of the company to which the commission relates, unless they decide otherwise. Provided that the Directors appointed on the Board on recommendation by the Central Government shall not be entitled to receive the above remuneration.
- Vacation of office of Directors.* 102. The office of the Director shall ipso-facto become vacant if at any time he commits any of the acts or sustains any of the incapacities set out in section 283 of the Act.
- Resignation of Director.* *** 103. A Director may at any time resign from his office by notice in writing served on the Company and such resignation shall be effective when the said notice is received by the Company.
- Office of Profit.* 104. No Director or other person referred to in Section 314 of the Act shall hold an Office or place of profit save as permitted by that section.
- Appointment of Director as Director of Company in which the company is interested.* 105. A Director of this Company may be or become a Director of any other company promoted by this Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such company.

* Article No. 98A is deleted vide Special Resolution at AGM held on October 22, 1998.

** Article No. 100 is amended vide Special Resolution passed on October 22, 1990.

*** Article No. 103 altered vide Special Resolution at AGM held on October 22, 1998.

- Conditions under which Directors may contract with company.* 106. Subject to the provisions of Section 297 of the Act, neither shall a Director be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the company with a relative of such Director or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director, be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding Office or of the fiduciary relation thereby established.
- Disclosure of a Director's interest.* 107. Every Director shall comply with the provisions of Section 299 of the Act, regarding disclosure of his concern or interest in any contract or arrangement entered into or to be entered into by the Company.
- Discussion and voting by Director interested.* 108. Save as permitted by Section 300 of the Act or any other applicable provision of the Act, no Director shall, as a Director, take any part in the discussion of, or vote on any contract or arrangement in which he is in any way, whether directly or indirectly, concerned or interested nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote.

APPOINTMENT RETIREMENT AND REMOVAL OF DIRECTORS

- Additional Directors.* 109. The Board shall have power, at any time and from time to time to appoint any person as an additional Director on the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by these articles. Any Director so appointed shall hold office only upto the date of the next Annual General Meeting of the Company and shall then be eligible for re-appointment by such general meeting.
- Alternate Directors.* 110. The Directors may appoint any person to act as a Director during the latter's absence for a period of not less than three months from the State in which meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote there at accordingly ; but he shall ipso facto vacate office if and when the absentee Director returns to the State in which meetings of the Directors are ordinarily held or the absentee Director vacates office as a Director.
- Board may fill up casual Vacancies.* 111. If any Director appointed by the Company in General Meeting vacates Office as a Director before his term of office expires in the normal course the resulting casual vacancy may be filled up by the Board at a Meeting of the Board, but any person so appointed shall remain in his office so long as the vacating Director would have retained the same if no vacancy had occurred, Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the Office of Director in accordance with the provisions of Section 284 of the Act.
- Appointment of Non-Rotational Directors* * 111A. The Board of Directors of the Company is empowered to appoint upto one-third of its strength as Non-Rotational Directors, subject to a maximum of three, excluding nominees of Financial Institutions in accordance with Article 117 above.
- Rotation and retirement.* ** 112. At each Annual General Meeting of the Company one-half of such of the Directors for the time being as are liable to retire by rotation, or if their number is not in multiple of two, then number rounded off to next integer, shall retire from office.

* Article No. 111A inserted vide Special Resolution passed on September 28, 1991.

** Article No. 112 altered vide Special Resolution passed on October 22, 1998.

- Which Directors retires.* 113. Subject to the provisions of these Articles, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between person who became Director on the same day those to retire shall, in default of and subject to any agreement among themselves; be determined by lot.
- Retirement age of Directors* * 113A. The Directors, who are not in the employment of the Company, shall compulsorily retire on completion of the age of 80 years and those directors in employment of the Company as managing or whole time directors shall compulsorily retire on completion of the age of 65 years.
- Vacancies to be filled in at the general meeting.* ** 114. No person not being a retiring Director shall be eligible for appointment to the Office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the Meeting, left at the Office a notice in writing under his hand signifying his candidature for the Office of Director or the intention of such member to propose him as a candidate for that Office as the case may be, along with a deposit of Rs. 500/- which shall be refunded to such person as the case may be, to such member if the person succeeds in getting elected as a Director and unless he has by himself or by his agent authorised in writing, signed and filed with the Registrar of Companies a consent in writing to act as such Director.
- Appointment of Managing or whole time Director.* 115. (1) Subject to the provisions of sections 269, 309, 310, 314, 316 and 317 of the Act, the Board of Directors may, from time to time, appoint one or more of the Directors as managing or whole time directors on such remuneration and on such other terms and conditions as the Board may remove or dismiss him and appoint another in his place.
- (2) Where the Company enters into any contract for the appointment of a managing or whole-time director or varies any such contract or where the Board passes any resolution appointing such a Director or varies any previous contract or resolution of the Company relating to such appointment the Company shall send an abstract of the terms of the contract or variation thereof and a memorandum to every member of the Company as required by Section 302 of the Act and shall otherwise comply with the provision of the said section.
- Vacation of office by Managing Directors.* 116. (a) Subject to the provisions of Section 255 of the Act, a Managing Director shall not, while he continues to hold that office be subject to retirement by rotation, but he shall be reckoned as a Director for the purpose of determining the retirement of Directors by rotation or in fixing number of Directors but he shall be subject to the same provisions as to resignation, and removal as the other Directors and he shall, ipso facto and immediately, cease to be Managing Director if he ceases to hold the office of Director from any cause.
- Seniorities of Managing Directors.* *** (b) If at any time the Company has more than one Managing Director, the incumbent who has held such office for the longest duration shall not be liable to retire by rotation.
- Remuneration of Managing or whole time Director.* 117. Subject to the provisions of Sections 198, 309, 310, 311 and 637-AA of the Act, a managing or whole-time Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profit of the Company or partly by one way and partly by the other as may from, time to time, be determined by a resolution passed by the Company in general meeting.
- Powers of Managing or Whole time Director.* 118. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 292 thereof, the Board may, from time to time, entrust to and confer

* Article No. 113A altered vide Special Resolution passed on September 15, 2006.

** Article No. 114 amended vide Special Resolution passed on October 22, 1990.

*** Article No. 116(b) altered vide Special Resolution passed on September 14, 2001

upon a Managing Director or wholetime Director for the time being, such of the powers exercisable under these presents by the Board as it may think fit, and may confer such power for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as it thinks fit, and the Board may, from time to time, revoke, withdraw, alter or vary any such powers.

PROCEEDINGS OF DIRECTORS

- Meetings of Directors* *119. (1) The Board shall meet together atleast once in every three calendar months for disposal of business, adjourn and otherwise regulate its proceedings as it may think fit.
- (2) Notice of every meeting of the Board shall be given to the Directors in accordance with the provisions of Section 286 of the Act.
- Board may act not-withstanding vacancy.* 120. The continuing Directors may act not-withstanding any vacancy in the Board, but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum or of summoning a general meeting of the Company, but for no other purpose.
121. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of section 287 of the Act. If the quorum is not present within fifteen minutes from the time appointed for holding a meeting of the Board the meeting shall be adjourned until such date and time as the Chairman of the Board shall by notice appoint.
- Director may summon meeting.* 122. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
- Chairman.* **123. The Board may appoint a Chairman of the Board meetings and determine the period for which he is to hold office. All meetings of the Directors shall be presided over by the Chairman present but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, then in that case, the Vice Chairman, if present, shall be the Chairman of such meeting and if the Vice Chairman be also not present, then in that case, the Directors shall choose one of the Directors present to preside at the meeting.
- Power of Quorum.* 124. A meeting of the Board, at which a quorum be present, shall be competent to exercise all or any of the authorities, powers, and discretions by or under these Articles or the Act for the time being vested in or exercisable by the Board.
- How questions to be decided casting vote.* ***125. Subject to the provisions of Section 316, 372A (5) and 386 of the Act and to the provisions of Article 196, questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the Chairman of the meeting shall have a second or casting vote.
- Power to appoint committees and to delegate.* *126. The Board may, subject to the provisions of the Act and to the provisions of Article 202, from time to time and at any time, delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit, and may, from time to time, revoke such delegation. Any Committee so formed shall, in the exercise of the power so delegated, conform to any regulations that may, from time to time, be imposed upon it by the Board.
- Proceedings of Committee.* 127. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and

* Article No. 119 substituted vide Special Resolution was passed at AGM on October 22, 1998.

** Article No. 123 substituted vide Special Resolution was passed at AGM on October 22, 1998.

*** Article No. 125 and 126 amended vide Special Resolution passed at AGM on September 15, 2006.

proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Articles.

- When acts of Director or committee valid notwithstanding defective appointment etc.* 128. All acts done by any meeting of the Directors, or by a committee of Directors, or any person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified or had vacated office by virtue of any provision contained in the Act or in these Articles be as valid as if every such Director or person had been duly appointed and was qualified to be a Director and had not vacated such office provided that nothing in this Article shall be deemed to give validity to acts done by a Director after the appointment of such director has been shown to be invalid or to have been terminated.
- Resolution of Board Meeting.* 129. Save in those cases where a resolution is required by Sections 262, 292, 297, 316 and 372(5) and 386 of the Act or any other provisions of the Act to be passed at a meeting of the Board, a resolution shall be valid and effectual as if it had been passed at a meeting of the Board or committee of the Board, as the case may be, duly called and constituted, if it is passed by circulation in the manner as provided in Section 289 of the Act.

MINUTES

- Minutes to be made.* 130. (a) The Board shall, in accordance with the provisions of Section 193 of the Act, cause minutes to be kept of proceedings of every general meeting of the Company and of every meeting of the Board or of every committee of the Board.
- (b) Any such minutes of proceedings of any meeting of the Board or of any committee of the Board or of the Company in General Meeting if kept in accordance with the provisions of Section 193 of the Act, shall be evidence of the matters stated in such minutes.

POWERS OF THE BOARD

- General Powers of Company vested in the Board.* 131. (a) Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles or in any regulation not inconsistent therewith and duly made thereunder including regulations made by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that resolution had not been made.
- Power to Delegate.* (b) Without prejudice to general powers conferred by the preceding Sub- Article, the Directors may from time to time and at any time subject to the restrictions contained in the act, delegate to secretaries, Officers, Assistants, and other employees or other persons any of the powers, authorities and discretions for the time being vested in the Board and the Board may, at any time, remove any person so appointed and may annul or vary such delegation.
- Local Management Powers of attorney seal for use abroad and foreign and foreign registers.* 132. The Board may, subject to the provisions of the Act, make such arrangements as it may think fit for the management of the Company's affairs abroad and for such purposes appoint local bodies, attorneys and agents and fix their remuneration and delegate to them such power as the Board may deem requisite or expedient. The Company may exercise all the powers of Section 50 of the Act and the Official Seal shall be affixed by the authority and

in the presence of and the instruments sealed therewith shall be signed by such persons as the Board shall from time to time by writing under the seal appoint. The company may also exercise the power of section 157 and 158 of the Act with reference to the keeping of foreign registers.

- Directors etc. may hold office or place of profit.* 133. Any Director or the person referred to in section 314 of the Act, may be appointed to or hold any office or place of profit under the company or under subsidiary of the company in accordance with and subject to the provisions of the said section.
- Secrecy.* 134. Subject to the provisions of Section 2(45) and 383 A of the Act, the Board of Directors shall, from time to time, appoint a whole time Secretary to perform such functions or duties, for such terms on such remuneration and other terms and conditions as the Board may think fit. Any Secretary so appointed may be removed by the Board. A Director may be appointed as secretary subject to the provisions of Section 269, 309, 310 and 314 of the Act.
- Act of Director / Secretary.* 135. Any provisions of the Act or these Articles requiring or authorising a thing to be done by a Director or Secretary shall not be satisfied by its being done by the same person acting both as Director and as, or in place of the Secretary.
- Power to authenticate documents.* 136. Save as otherwise provided in the Act, any Director or the Secretary or any person appointed by the Board to the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolution passed by the Company or the Board and any books, records, documents account relating to the business of the Company and to certify copies thereof or extracts there from as true copies or extracts and where any books, records, documents or accounts are elsewhere than at the office, the local manager or either officer of the company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.
- Certified copies of resolution of Directors* 137. A document purporting to be a copy of a resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the last preceding article shall be conclusive evidence in favour of all persons dealing with the company upon the faith thereof that such resolution has been duly passed or, as the case may be that such extract is a true and accurate record of a duly constituted meeting of the Board.

THE SEAL

- Affixing of the Seal* 138. (1) The Board shall provide for the safe custody of the seal.
- ^{*}(2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of two directors or at least one Director and Secretary or some other person appointed by the Board for the purpose : and those two Directors or a Director and Secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

RESERVES

- Reserve.* 139. Subject to the provisions of Section 205(2A) of the Act, the Board of Directors may, from time to time, before recommending any dividend, set apart any such portion of the profits of the company as it thinks fit as Reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the company, for equalisation of dividends, for repairing, improving or maintaining any of the property of the company and for such other purposes of the company as the Board in its absolute discretion thinks conducive to the

* Article No. 138(2) altered vide Special Resolution passed on October 22, 1990

interest of the company and may, subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares of the company) as it may think fit and from time to time deal with and vary such investment and dispose off all or any part thereof for the benefit of the company and may divide the Reserves into such special funds as it thinks fit, with full power to employ the Reserves or any part thereof in the business of the company and that without being bound to keep the same separate from the other assets.

Capitalisation of Reserves.

140. Any general meeting may, upon the recommendation of the Board, resolve that any moneys, investments, or other assets forming part of the undivided profits of the company and standing to the credit of the reserves, or any capital Redemption Reserve Account in the hands of the company and available for dividend or re-presenting premium received on the issue of shares and standing to the credit of the share premium Account be capitalised, and be set free for distribution amongst such of the shareholders as would be entitled to receive the same if distributed by way of footing that they become entitled thereto as capital and that all or any part of such capitalised fund applied on behalf of such shareholders in paying up in full any unissued shares which shall be distributed accordingly or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by the shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a share premium account or a Capital Redemption Reserve Account may, for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to member of the Company as fully paid bonus shares.

Distribution of Capital profits

141. The Company in General Meeting may, at any time and from time, to time resolve that any surplus money in the hands of the Company representing capital profits arising from the receipt of money received or recovered in respect of or arising from the realisation of any capital assets of the Company, or any investment representing the same instead of being applied in the purchase of other capital and in the same as capital and in the same proportions in which they would have been entitled to receive the same if it had been entitled to receive the same if it had been distributed by way of dividend provided always that no such profits as aforesaid shall be so distributed unless there shall remain in the hand of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid up share capital of the Company for the time being.
142. For the purpose of giving effect to any resolution under the two last preceding Articles the Board may settle any difficulty which may arise in regard to the distribution as if thinks expedient and in particular may issue fractions certificates and may fix the value for distribution of any specific assets and may determine the cash Payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or capitalised fund as may seem expedient to the Board. Where required, a proper contract shall be filed 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 for capitalised fund and such appointment shall be effective.

DIVIDENDS

How profits Shall be divisible.

- *143. The divisible profits of the Company shall be determined by setting aside for Reserves appropriate amounts as provided hereinbefore. The residual amount shall be utilised for payment of dividend to shareholders having preferential rights and the equity

* Article No. 143 altered vide Special Resolution passed on September 14, 2001

shareholders in that order. The Board shall be at liberty to recommend payment of dividend to equity shareholders either on pro-rata basis or at a flat rate. Amounts paid-up in advance of calls on equity shares, whilst carrying interest, shall not be entitled to dividend or a right to participate in profits.

Subject to the rights of the members entitled to share (if any) with preferential rights attached thereto, the profits of the Company be determined to dividend in respect of any year or other period shall be applied in the payment of a dividend on the equity shares of the Company. The Board shall be at liberty to recommend payment of dividend either on pro-rata basis or at a flat rate on the shares allotted. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest rank for dividends or confer a right to participate in profits.”

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| <i>Declaration of dividends.</i> | 144. | The company in Annual General meeting may declare a dividend to be paid to the members according to their rights and interest in the profit of the company. |
| <i>Restrictions of amount of dividends.</i> | 145. | No larger dividend shall be declared than is recommended by the Board; but the company in Annual General Meeting may declare a smaller dividend. |
| <i>Interim dividend.</i> | 146. | The Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of the company. |
| <i>Distribution of dividend within forty-two days.</i> | 147. | All dividends shall be paid, or the warrants in respect thereof shall be posted, within forty-two days from the date of the declaration by the shareholders entitled to the payment of the dividend. |
| <i>Debits may be deducted.</i> | 148. | The Board may deduct from any dividend payable to any member all sums of moneys, if any, presently payable by him to the company on account of calls or otherwise relating to the shares of the company. |
| <i>Dividend and call together.</i> | 149. | Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, not exceeding the amount remaining unpaid on the share, but so that the call on such member also does not exceed the dividend payable to him and so that call be made payable at the same time as the dividend and in such case the dividend may, if so arranged between the company and the members be set of against the call. |
| <i>Dividend in cash</i> | 150. | No dividend shall be payable except in cash; provided that nothing in the foregoing shall be deemed to prohibit the capitalisation of profits or reserve of the company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on the shares held by the members of the company. |
| <i>Effect of transfer.</i> | * 151. | Dividend on shares, in respect of which instrument of transfer of shares has been delivered to the Company for registration and the transfer of shares has not been registered by the Company, shall be transferred to a Special Account referred to in Section 205 A of the Act, pending transfer 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. |
| <i>Payment of interest on capital.</i> | 152. | The company may pay interest on capital raised for the construction of works or buildings when and so far as shall be authorised to do by Section 208 of the Act. |
| <i>To whom dividends payable</i> | 153. | No dividend shall be paid in respect of any share except to the registered holder of such shares or to his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of a registered shareholder to make a separate application to the company for payment of the dividend. Nothing in this Article shall be deemed to affect in any manner the operation of Article 157. |

* Article No. 151 amended vide Special Resolution passed on October 22, 1990

- Dividend to joint holders.* 154. Anyone of several persons who are registered as joint-holders of any shares may give effectual receipt for all dividends, bonuses and other payments in respect of such shares.
- Notice of dividends.* 155. Notice of any dividend; whether interim or otherwise shall be given to the persons entitled to share therein in the manner hereinafter provided.
- Payment by post.* 156. Unless otherwise directed in accordance with Section 206 of the Act, any, dividend, interest or other money payable in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the members or in case of members who are registered jointly to the registered address of that one of such members who is first named in the Register in respect of the joint-holding or to such person and such address as the member or members who are registered jointly as the case may be, may direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement on any cheque or warrant or fraudulent recovery thereof by any other means.
- Unpaid or unclaimed dividends.* 157. No unpaid or unclaimed dividend shall be forfeited unless the claim thereto becomes barred by law. The company shall comply with the provisions of Section 205 A of the Act in respect of unpaid or unclaimed dividend.

BOOKS AND DOCUMENTS

- Where to be kept.* 158. The Books of Account shall be kept at the Registered Office or at such other place in India as the Board may, from time to time, decide.
- When accounts to be deemed finally settled.* 159. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in Annual General Meeting shall be conclusive.
- Registers, Books and documents to be maintained by the Company.* 160. (i) The company shall maintain all Registers, Books and Documents as required by the Act or these Articles including the following namely :-
- (a) Register of Investments under Section 49 of the Act.
 - (b) Register of Debentures and Charges under Section 143 of the Act,
 - (c) Register of Members and index of Members under Section 150 and 151 of the Act.
 - (d) Register and index of Debenture-holders under Section 152 of the Act.
 - (e) Register of contracts with and of companies and firms in which Directors of the Company are interested under Section 301 of the Act, and shall enter therein the relevant particulars contained in Sections 297 and 299 of the Act:
 - (f) Register of Directors, Managing Directors and Secretary under Section 303 of the Act.
 - (g) Register of Share-holdings and Debenture holdings of Directors under Section 307 of the Act.
 - (h) Register of Investments in shares or debentures of other bodies corporate under Section 372 of the Act.
 - (i) Books of Account under the provisions of Section 209 of the Act.
 - (j) Copies of instruments creating any charges requiring registration under section 136 of the Act.
 - (k) Copies of Annual Returns under Section 159 of the Act together with the copies of the Certificates, under Section 161:-

- (1) Register of Renewed and Duplicate Certificates according to Rule (2) of the Companies (Issue of Share Certificates) Rules, 1960.
- (2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection for such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may in that behalf be determined in accordance with the provisions of the Act, or these Articles and extracts shall be supplied to those persons entitled thereto in accordance with the provisions, of the Act or these Articles.
- (3) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act, Subject to the provisions of Section 157 and 158, the Directors may from time to time make such provisions as may think fit in respect of the keeping of Branch Registers of Members and/or Debenture-holders.

INTEREST OUT OF CAPITAL

161. Where any shares are issued for the purpose of raising money to defray the expenses of construction of any works or buildings or the provision of any plant, 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 construction of the works or building or the provision of plant.

ANNUAL RETURNS

- Annual Return* 162. The Company shall make the requisite Annual Returns in Accordance with the provisions of Section 159 and 161 of the Act, and shall file with the Registrar three copies of the Balance Sheet and Profit and Loss Account in accordance with Section 220 of the Act.

AUDIT

- Audit.* 163. (a) One at least in every year, the accounts of the Company shall be examined and the correctness of the Profit and Loss account and Balance Sheet, ascertained by the Auditor or Auditors of the Company.
- First auditors.* (b) The first Auditor or Auditors of the Company shall be appointed by the Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until conclusion of the first Annual General Meeting of the Company.
- Appointment and remuneration of auditors.* (c) The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office from the conclusion of that Meeting until the conclusion of the next Annual General Meeting.
- Audit of Accounts of Branch.* (d) Where the Company has a Branch Office the provision of Section 228 of the Act shall apply.
- Appointment of auditors by special resolution.* (e) Where not less than twenty-five percent of the subscribed share capital of the Company is held whether singly or in any combination, by a Public Financial Institution or a Government or any State Government or any other person as referred to in section 224A of the Act, the appointment at each Annual General Meeting of an Auditor or Auditors shall be made by a special resolution.
- Right of Auditor to attend the General meeting.* (f) All notices and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company and the Auditor shall also be entitled to

attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concern him as Auditor.

- Auditors Report to be read in* (g) The Auditor's Report shall be read before the Company in Annual General Meeting and shall be open to inspection by any member of the Company.
- Application of sections 224 to 233 of the Act.* (h) The appointment, remuneration, rights and duties of Auditors of the company shall be regulated by the provisions of section 224 to 233 of the Act.

SERVICES OF NOTICES AND DOCUMENTS

- How notice to be Served on members.* 164. (1) A notice or other document shall be given or sent by the Company to any member either personally or by sending it by post to him to his registered address in India or if he has no registered address in India to the address if any, within India supplied by him to the Company for the giving of notice to him.
- Service by post.* (2) Where notice or other document is sent by post:
- (a) Service there of shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice or document, provided that where a member has intimated to the Company in advance that notice or documents 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 sufficient sum to defray the expenses of doing so, service of the notice or document shall not be effected unless it is sent in the manner intimated by the member; and
- (b) Such service shall be deemed to have been effected:
- (i) In the case of notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted, and
- (ii) In any other case, at the time at which the letter would be delivered in the ordinary course of post.
- Notice to members who have not supplied Address.* 165. A notice or other document advertised in a newspaper circulating in the neighborhood of the office of the Company shall be deemed to be duly served on the day on which the advertisement appears on every members of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of the notices to him.
- Notice to joint-holders,* 166. A notice or other documents may be served by the Company on the joint- holder named first in the Register in respect of the share.
- Notice to persons entitled by transmission.* 167. A notice or other documents may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by the name, or by the title of representative of the deceased, or assignee of the insolvent or by any like description, at the address in India supplied for the purpose by the persons claiming to be entitled, or until such an address has been so supplied by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- How to advertise.* 168. Any notice required to be or which may be given by advertisements once in one or more newspapers circulating in the neighborhood of the office.
- Transferee etc. bound by prior notice.* 169. Every person who by operation of law or transfer or other mean whatsoever shall become entitled to any share be bound by every notice in respect of such shares which previous to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

- Notice valid though member deceased.* 170. Subject to the provisions of Articles 165 to 169, any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member be then deceased and whether or not the company has notice of his death, be deemed to have been duly served in respect of any registered share, whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holders there of and such service shall, for all purposes of these presents, be deemed sufficient service of such notice or document on his heirs, executors or administrators and all persons, if any jointly interested with him in any such shares.
- How notice to be signed.* 171. The signature to any notice to be given by the company may be written or printed.
- Service of process in winding up.* 172. Subject to the provisions of Section 497 and 509 of the Act, in the event of a winding up of the company every member of the company who is not for the time being in the town where the registered office of the company is situated shall be bound, within eight weeks after the passing of an effective resolution to wind-up the company, to serve notice in writing on the company appointing some house-holder residing in the neighborhood of the office upon whom all summons, notices, process, orders and judgment in relation to or under the winding up of the company, may be served and in default of such nomination, the Liquidator of the company shall be at liberty, on behalf of such member, to appoint some such persons, and service upon any such appointee whether appointed by the member or the Liquidator shall be deemed to be good personal service on such member for all purposes and where the Liquidator makes any such appointment he shall with all convenient speed, give notice thereof to such member by advertisement in some daily newspapers circulating in the neighborhood of the office or by a registered letter sent by post and addressed to such member at his address as registered in the Register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter should be delivered in the ordinary course of the post. The provisions of this Article shall not prejudice the right of the Liquidator of the company to serve any notice or other document in any other manner prescribed by these Articles.
- Inspection.* 173. (a) The Books of Account and other books and papers shall be open to inspection by any Director during business hours.
- (b) The Board shall, from time to time, determine whether and to what extent and at what times and place and under what conditions or regulations, the books of account and other books and documents of the Company, other than those referred to in Article 132 (b), shall be open to the inspection of the member (not being a Director) and no member (not being a Director) shall have any right of inspecting any books of account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.
174. The Books of account and other books and papers of the company be open to inspection during business hours by the Registrar of Companies or by such officer of Government as may be authorised by the Central Government in this behalf without any previous notice to the company or any officer thereof.
- CAPITALISATION**
- Capitalisation* 175. (1) The Company in General Meeting may resolve that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including the profits or surplus moneys arising from the realisation) and where permitted by law from the appreciation in value of any capital assets of the Company standing to the credit of the General Reserve any Reserve Funds or any other Funds of the Company or in the hands of the Company and available for dividend, be capitalised, by the issue and distribution as fully paid up shares of the Company which may have

been issued and are credited as partly paid up with the whole or any part of the sum remaining unpaid thereon.

Provided that any amount standing to the credit of the Share premium Account or the Capital Redemption Reserve Account shall be applied only in crediting the payments of shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

*Keeping in abeyance
bonus shares pending
transfer*

- * 175 (1) (a) Notwithstanding anything contained in Article 175 (1) or the Act, fully paid up Bonus Shares, pursuant to provisions of Section 205 (3) of the Act and Article 175 (1), in respect of Shares for which instrument of transfer of shares has been delivered to the Company for registration and the transfer of shares has not been registered by the Company shall be kept in abeyance pending transfer.
- (2) Such issues and distribution under (1) (a) above and such payment to the credit of unpaid share capital under (1) (b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1) (a) or payment under (1) (b) above shall be made on the footing that such members become entitled thereto as capital.
- (3) The Directors shall give effect to any such resolution and apply such portion of the profits, General or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are not fully paid under (1) (b) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that such cash payments be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares and fractional certificates or otherwise as they may think fit.
- (5) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares and by crediting the partly paid shares with the whole or part of the unpaid liability thereof but so that as between the holders of the fully paid shares and the partly paid shares the sums so applied on the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied Pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid shares respectively.

* Article No. 175(1) (a) altered vide Special Resolution passed on October 22, 1990

- (6) When deemed requisite, a proper contract shall be prepared in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

ACCOUNTS

- Books of Accounts to be kept* 176. (1) The Company shall keep at its Registered Office proper books of Account with respect to :
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place.
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company;
- Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide, the Company shall, within seven days of the decision, file with the Registrar of Companies a Notice in writing giving the full address, of that other place.
- (2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at that office and proper summarised returns made up-to-date at intervals of not more than three months, shall be sent by the Branch office of the Company to its Registered Office or other place in India, as the Board thinks fit, where the main books of the Company are kept.
- (3) All the aforesaid books shall give a true and fair view of the affairs of the Company or its branch office, as the case may be, with respect to the matters aforesaid and explain its transactions,
- (4) The Books of Account and other books and papers shall be open to inspection by any Director during business hours.
- Books of Accounts to be preserved* 177. The Books of Account of the Company relating to a period of not less than eight years immediately preceding the current year together with vouchers relevant to any entry in such books of account shall be preserved in good order.
- Inspection by Members of books of the Company.* 178. The Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions and regulations the books of the Company shall be open to the inspection of members and no member shall have any right of inspecting any books of the Company except as conferred by law.
- Statements of Accounts to be furnished to General Meeting.* 179. The Board of Directors shall lay before each Annual General Meeting, a profit and loss account which shall relate:-
- (a) in case of the first Annual General Meeting of the Company, to the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months; and
 - (b) in case of any subsequent Annual General Meeting of the Company, to period beginning with the day immediately after the period for which the account was last submitted and ending with the day which shall not precede the day of the meeting by more than six months, or in cases where an extension of time has been granted for holding the meeting under the second proviso to sub-section (1) of Section 166 by more than six months and the extension so granted. The period to which the account

aforesaid relates is referred to in this Article as a “financial year” and it may be less or more than a calendar year, but it shall not exceed fifteen months provided nevertheless it may be extended to eighteen months where special permission has been granted in that behalf by the Registrar.

- Balance Sheet and Profit and Loss Account* 180. (1) (a) Subject to the provisions of Section 211 of the Act, every Balance Sheet shall give a true and fair view of state of affairs of the Company as at the end of the financial year and shall, subject to the provisions of the said Section, be in the form set in part I of Schedule VI of the Act, or as near thereto as circumstances permit or in such other form as may be approved by the Central Government either generally or in any particular case; and in preparing the Balance Sheet due regard shall be had, as far as may be to the general instructions for the preparation of the Balance Sheet under the heading “Notes” at the end of that part.
- (b) Subject as aforesaid, every Profit and Loss Account shall give a true and fair view of the Profit or Loss of the Company for the financial year and shall subject as aforesaid, comply with the requirements of Part II of Schedule VI of the Act so far as they are applicable thereto.
- (2) There shall be annexed to every Balance Sheet a statement showing the bodies corporate (indicating separately the bodies corporate in the same group within the meaning of Section 372 (ii) of the Act in the shares of which investments have been made by it including all investments whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate.
- (3) So long as the Company is a holding Company having a subsidiary, Company shall conform to Section 212 and other applicable provisions of the Act.
- (4) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.
- Authentication of Balance Sheet and Profit and Loss Account.* 181. (1) Every Balance Sheet and every profit and loss account of the Company shall be signed on behalf of the Board of Directors, by the Secretary and by not less than two Directors of the Company one of whom shall be the Managing Director where there is one.
- (2) Provided that when only one Director is for the time being in India, the balance sheet and profit and Loss account shall be signed by Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non-compliance with the provisions and of Sub-Clause (1) above.
- (3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.
- Profit and Loss Account to be annexed and Auditors' Report to be attached to the Balance Sheet* 182. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors Report (including the Auditors Separate/Special or Supplementary reports, if any) shall be attached thereto.
- Board's Report to be attached to Balance Sheet* 183. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the state of

Company's affairs, the amounts, if any, which it proposes to carry to any Reserve in such Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend and material change and commitments, if any affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and to the date of the report.

- (2) The Report shall, so far as it is material for the appreciation of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.
- (3) The Board shall also give the fullest information and explanation in its reports or in cases falling under the provision to Section 222 of the Act in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditors Report.
- (4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board and where he is not so authorised, shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of these Articles.
- (5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Clauses (1) to (3) of this Article are complied with.

184. The Company shall comply with the requirements of Section 219 of the Act.

Reconstruction.

185. On any sale of the undertaking of the Company, the Board or the liquidator on winding up may if authorised by a special Resolution, accept fully paid or partly paid up shares, debentures or securities of any other company incorporated in India, or to the extent permitted by law of a company incorporated outside India either then existing or to be formed for the purchase in whole or in part of the property of the company and the Board (if the profits of the company permit) or the liquidator (in a winding-up) may distribute such shares or securities or any other property of the company amongst the member without realisation or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property, otherwise than in accordance with the legal rights of the members or contributories of the company, and for valuation of any such securities or property at such securities or property at such price and in such manner as the meeting may approve and all holder of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation there to, save only in case the Company is proposed to be in the course of being wound up statutory rights if any under Section 494 of the Act as are in-capable of being varied or excluded by these Articles.

SECRECY

Secrecy.

186. Every Director, Secretary, Trustees for the company, members of a Committee, servant, officer, agent, accountant, or other person employed in or about the business of the company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal and of the matters, relating thereto which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General or by a Court of Law and except so far as may be necessary in order to comply with any of the provision in these Articles contained.

No shareholder to enter the premises of the company without permission.

187. No shareholder or other person (not being a Director) shall be entitled to enter upon the Properties of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board subject to Article 171 to require discovery of or any information respecting any detail of the trading of the company or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatever which may relate to the conduct of the business of the company and which in the opinion of the Board will be inexpedient in the interest of the company to communicate.

WINDING UP

Distribution of assets.

- *188. (a) In the event of the Company being wound up, the holders of Preference shares, if any shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repayment of the amount paid up on the preference shares held by them respectively and payment of arrears of dividend up to the commencement of the winding up, whether declared or not, but shall not be entitled to any further participation in such surplus assets. If the surplus available as aforesaid shall be insufficient to repay the whole amount paid up on the Preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares so that the losses shall be borne by the holders of preference shares in proportion to the capital paid up or which ought to have been paid up thereon and the arrears of dividend as aforesaid.
- (b) If the Company shall be wound up and the assets available for distribution among the members as such after payment to the preference share holders as aforesaid shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that the losses shall be borne by the members in proportion to the paid-up capital or which ought to have been paid up at the commencement of the winding up on the shares held by them, respectively.
- (c) If in the winding up, the assets available for distribution among the members after payment to the Preference Shareholders as aforesaid shall be more than sufficient to repay the whole of the paid-up capital, such assets shall be distributed amongst the members in proportion to the paid-up capital on the shares held by them respectively, at the commencement of the winding up.
189. If the company shall be wound up, whether voluntarily or otherwise the liquidators may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind; any part of the assets of the company and may, with the like sanction, vest any part of assets of the contributories, or any of them as the liquidators, with the like sanction shall think fit.

INDEMNITY

190. Subject to the provision of Section, 201 of the Act, every Director, Secretary or officer of the Company or any person (whether an Officer of the Company or not) employed by the Company and any person appointed as Auditor shall be indemnified out of the funds of the company against all liability incurred by him as such Director, Secretary, Officer, employee or Auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under section 633 of the Act, in which relief is granted to him by the Court.

* Article No. 188 amended vide Special Resolution passed at the AGM on September 15, 2006.

* PART-II

OVERRIDING EFFECT AND INTERPRETATION

191. Subject to the requirements of applicable law, in the event of any conflict between the provisions of Part I and this Part II, the provisions of this Part II shall apply.

Unless the context otherwise requires, words or expressions contained in this Part II shall have the meanings as provided below. Provided that any terms and expressions used but not defined specifically in this Part II shall have the same meaning as ascribed to them in Part I or in the Act or any statutory modification thereof. Other terms may be defined elsewhere in the text of these Articles and, unless otherwise indicated, shall have such meaning throughout these Articles.

"Affiliate" means with respect to any Person, any other Person which, directly or indirectly, Controls, is Controlled by or is under common Control with, such Person. In case any Person is a natural person (including partners of a partnership firm), then the term **"Affiliate"** in relation to such natural person shall also mean a Relative of such natural person.

"Annual General Meeting" or **"AGM"** means the annual general meeting of the Company convened and held in accordance with the Act.

"Board of Directors" or the **"Board"** means the board of directors of the Company in office at applicable times and as nominated and appointed in accordance with the terms of these Articles.

"Business" means the business of manufacture and sale of speciality packaging films products carried on by the Company. In addition the Company also has shareholding in companies, which carry on the business of life insurance, health insurance, healthcare, clinical research and senior living businesses.

"Control" (including with correlative meaning, the terms **"Controlled by"** and **"under common Control"** with) means the power and ability to direct the management or policies of any Person, whether through the ownership of over 50% (fifty percent) of the voting power of such Person, through the power to appoint more than half of the board of directors or similar governing body of such entity, through contractual arrangements or otherwise.

"Directors" means the directors of the Company as the case may be, appointed in accordance with Article 195.

"ESOP" means the employee stock option plan of the Company, which shall be in compliance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time.

"Extra Ordinary General Meeting" or **"EGM"** means the extra ordinary meeting of the Company convened and held in accordance with the Act.

"Financial Year" means the period commencing April 1 each year and ending on March 31 the next year, or such other period as may be determined by the Board to be the financial year for the Company.

"General Meetings" means either an EGM or an AGM of the Shareholders of the Company.

"Person" means any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust,

* Entire Part II of the Articles of Association was replaced vide special resolution passed at the AGM of the Company held on September 24, 2013.

union, association, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law.

"Promoter Group" means, collectively, the Promoters and their Affiliates.

"Promoter Group Directors" shall have the meaning set forth in Article 195.

"Promoters" means Mr. Analjit Singh and his Relatives.

"Relatives" shall have the meaning given to the term in the Act, and shall also include any sibling of such Relative and such sibling's children.

"Share Capital" means the total issued and paid up equity share capital of the Company, with voting rights.

"Shares" means equity shares, with one vote per equity share, of the Company having a par value of Rs. 2 (Rupees Two) and includes warrants of the Company and Shares arising out of conversion of such warrants.

"Subsidiaries" means the current and future direct and indirect subsidiaries of the Company and shall, for the avoidance of doubt, include any company which is Controlled by the Company.

QUORUM FOR GENERAL MEETING

192. Notwithstanding anything to the contrary in these Articles, the quorum for General Meetings shall require the presence of at least one authorised representative representing the Promoter Group being present at such meeting. Provided that the Promoter Group may, in writing, waive the requirements of quorum specified in this Article for any meeting.

AFFIRMATIVE RIGHTS

193. Notwithstanding anything to the contrary contained in these Articles, the following decisions, shall not be taken and/or implemented by the Company or any of its Subsidiaries whether at meetings of their respective shareholders and/or their respective Board of Directors and/or committees of the Board of Directors, in each case without the affirmative votes or prior written consent of, the Promoter Group:
- (i) Mergers, demergers, spin-offs, re-organizations, amalgamations, consolidations, divestments, winding up or liquidation, or debt restructuring, or creation or dissolution of joint ventures/partnerships, subsidiaries, or investments in such entities, acquisition or sale of shares or securities or ownership interest in or of any other company or entity;
 - (ii) Sale of fixed assets (including but not limited to creating a lien, a lease or exchange), outside of the business plan (as approved by the Promoter Group), in excess of Rs. 200,000,000 (Rupees Two Hundred Million) on a cumulative basis in any Financial Year;
 - (iii) Voluntary commencement of a winding-up proceeding for insolvency or bankruptcy of the Company and/or any of the Subsidiaries or general assignment for the benefit of their creditors or any consent to the entry of a decree or order for relief from creditors under any applicable laws or any admission by the Company and/or any of the Subsidiaries of (A) its inability to pay its debts, or (B) any other action constituting a cause for the involuntary declaration of insolvency or bankruptcy;
 - (iv) Acquisition of other businesses (by way of share sale, business transfer, slump sale, asset sale or any other mode of acquiring a business or asset), creation of joint ventures/ partnerships, creation or investment in Subsidiaries or any other investments (other than short term liquid investments in bank deposits and debt mutual funds with no equity exposure and in certain banks and mutual funds as approved by the investment committee of the Board);

- (v) Capital expenditures or acquisitions of assets, in excess of Rs. 200,000,000 (Rupees Two Hundred Million), on a cumulative basis, in any Financial Year;
- (vi) Increase, decrease, buy back or other alteration or modification in authorized or issued share capital or creation or issue of other securities (including equity shares, preference shares, non-voting shares, warrants, options and such other instruments) and terms thereof by the Company or any Subsidiary or delisting of securities of the Company or any Subsidiary. Matters in connection with any initial public offering of any Subsidiary including timing, pricing, and place/stock exchange(s) etc;
- (vii) Any event that reduces the Company's equity shareholding in any of the Subsidiaries, save and except any reduction by virtue of conversion of any options granted pursuant to ESOP approved by the Board;
- (viii) Any event that reduces any Subsidiary's equity shareholding (directly or indirectly) in any of its subsidiaries;
- (ix) Related party transactions (other than transactions between the Company and/or its Subsidiaries with the Promoter Group so long as such transactions are entered into in the ordinary course of business);
- (x) Amendments to Memorandum or Articles of Association (including, without limitation, change in the number of members of the Board of Directors of the Company and/or the Subsidiaries);
- (xi) Appointment and change of chief executive officer, managing director, chief financial officer, the statutory auditor and the internal auditor;
- (xii) Any appointment of Director/Chairman of the Board of its Subsidiaries;
- (xiii) Approval of, or amendment to, the annual business plan (including budgets);
- (xiv) Commencement of any new line of business, which is unrelated to the business of the Company or its Subsidiaries;
- (xv) Availing of debt, credit facilities, issuance of any bonds/debentures, refinancing of existing debt, securitisation of any receivable or incurring any indebtedness by the Company or any Subsidiary, in excess of an aggregate of Rs.1,000,000,000 (Rupees One Thousand Million);
- (xvi) Settlement of any litigation where the amount involved is in excess of Rs. 50,000,000 (Rupees Fifty Million) on a cumulative basis in any Financial Year;
- (xvii) Any change in the material accounting or tax policies or practices;
- (xviii) Declaration or payment of any dividend;
- (xix) Entry into, amendment or termination of any agreement or commitment that imposes or is likely to impose obligations on the Company or any of the Subsidiaries, to pay an amount in excess of Rs. 150,000,000 (Rupees One Hundred and Fifty Million) in a single transaction or on a cumulative basis, i.e. in more than one transaction in any Financial Year, or impose, or is likely to impose, on the Company or any of the Subsidiaries, any liability in excess of Rs. 150,000,000 (Rupees One Hundred and Fifty Million);
- (xx) Acquire or sell shares or other securities (other than fixed income securities);
- (xxi) Recommend giving or renewing of security in or the indemnifying or the guaranteeing of debts or obligations of any entity other than the Subsidiaries;
- (xxii) Any change in the Financial Year for preparation of audited accounts;

- (xxiii) Any Transfer of brand names and trademarks or any other intellectual property used by the Company or its Subsidiaries, unless such Transfer is between the Company and its Subsidiaries or amongst the aforesaid Subsidiaries inter se; and
- (xxiv) Any commitment or agreement or arrangement (oral or written) to do any of the foregoing.

It is clarified that all financial limits in this Article are indicated on an aggregate basis and would apply cumulatively to the Company and all the Subsidiaries taken together.

ALTERNATE DIRECTORS

- 194. (i) Each of the directors appointed by the Promoter Group shall be entitled to appoint an alternate Director in place of himself/herself from time to time.
- (ii) Upon the appointment of the alternate director, the Company, shall ensure compliance with the provisions of the Act, including by filing necessary forms with the Registrar. The alternate director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the original director and generally to perform all functions of the original director in his or her absence.

BOARD COMPOSITION OF THE COMPANY

- 195 (i) The Directors on the Board of the Company other than the independent Directors as well as the Xenok Nominee Director (the "Other Directors") shall be appointed by the Promoter Group proportionate to their shareholding, such that the Promoter Group shall appoint a minimum of 2 (two) directors from amongst the Other Directors so long as the Promoter Group holds atleast 15% of the Share Capital of the Company ("Promoter Group Directors"). The Chairman of the Board is Mr. Analjit Singh. In the event Mr. Analjit Singh is unable to act as the Chairman of the Board, then the Chairman shall be a director nominated by the Promoter Group.
- (ii) Subject to the provisions of applicable Law, the Promoter Group shall have the right to nominate at least 1 (one) nominee to the Board of Directors of the Company from among the Promoter Group Directors, as a non-rotational Director.

REMOVAL/RESIGNATION OF DIRECTORS

- 196. The Promoter Group may require the removal of any Director nominated by them to the Company and nominate another individual as a Director in his/her place. In the event of the resignation, retirement or vacation of office of any Director nominated by the Promoter Group, the Promoter Group shall be entitled to appoint another Director in such place.

MEETINGS OF DIRECTORS

- 197. (i) Unless agreed to by at least one nominee director of the Promoter Group, the meetings of the Board shall be held in New Delhi, India.
- (ii) Subject to the provisions of Section 286 of the Act, each notice of a meeting of the Board shall contain, inter alia, an agenda specifying, in reasonable detail, the matters to be discussed at the relevant meeting and shall be accompanied by all necessary written information.
- (iii) It is hereby clarified, subject to the provisions of these Articles including Article 193 and any matter in respect of which affirmative rights may have been conferred on the Promoter Group, that a decision shall be said to have been made and/ or a resolution shall be said to have been passed at a meeting of the Board of Directors of the Company only if at a validly constituted meeting, such decisions are approved of by and/ or the resolution is approved of by a majority of the Directors, which unless otherwise mandated by law in India, shall mean approval by a majority of the Directors present and voting at such Board meeting of the Company.

- (iv) Subject to applicable law, Directors or members of any committee of the Board may participate in meetings of the Board or committee of the Board through video-conference or telephonic conference.

QUORUM FOR BOARD MEETING

- 198. Notwithstanding anything to the contrary in Article 121, the quorum for a meeting of the Board shall include at least 1 (one) Director nominated by the Promoter Group being present at such meeting.

Provided that if such a quorum is not present within one hour from the time appointed for the meeting, the meeting shall adjourn to the same place and time 7 (seven) days later, at which meeting the Directors present shall, subject to their constituting a valid quorum under the Act, constitute a valid quorum even though the nominee director of the Promoter Group, is not present, provided that notice of such adjourned meeting shall have been delivered to all Directors at least 5 (five) days prior to the date of such adjourned meeting. However, any matter in respect of which the Promoter Group may have affirmative rights shall not be taken up at such adjourned meeting, without at least one Director each nominated by the Promoter Group being present.

Provided further that the Promoter Group may, in writing, waive the requirements of quorum specified in this Article for any meeting.

COMMITTEES

- 199. As long as the Promoter Group holds at least 10% of the Share Capital of the Company, the Promoter Group has the right to appoint any 1 (one) of its nominee Directors as a member of all the committees established by the Board of Directors of the Company. Provided that the Promoter Group may, in writing, waive the requirements of quorum specified in this Article for any meeting.

RESOLUTION OF BOARD MEETING

- 200. Notwithstanding anything to the contrary in Article 129, a resolution of a Board or committee of the Board, passed by circulation, shall be valid only if it has been circulated in draft form, together with the relevant papers, if any to all the Directors and if the resolution proposed to be passed by circulation pertains to any matter in respect of which the Promoter Group may have affirmative rights, such circular resolution shall be valid and effective only if it has received the consent of at least 1 (one) Director nominated by the Promoter Group.

STATUTORY AUDITOR

- 201. Notwithstanding anything to the contrary in Article 163, the Auditor or Auditors appointed by the Company shall be from among recognized and reputable accounting firms, acceptable to the Promoter Group.

TERMINATION OF CERTAIN ARTICLES

- 202. In the event that the Promoter Group ceases to hold at least 10% of the Share Capital of the Company, then without prejudice to either rights or obligations which may have accrued to or in respect of the Promoter Group under these Articles, the provisions of this Part II shall automatically cease to have effect with respect to the Promoter Group.

WITH ADOPTION OF FRESH ARTICLES UNDER PART II AT THE AGM HELD ON SEPTEMBER 24, 2013, ARTICLE NOS. 203 TO 208 STAND DELETED.

PART-III*OVERRIDING EFFECT AND INTERPRETATION**

209. Subject to the requirements of applicable law, in the event of any conflict between the provisions of Part I and this Part III, the provisions of this Part III shall apply in respect of the inter se arrangements between the Company, the Investor and the Promoter Group. The provisions of Part II and this Part III shall be read in conjunction with each other. The provisions of this Part III shall come into effect retrospectively from the Closing Date.

Unless the context otherwise requires, words or expressions contained in this Part III shall have the meanings as provided below.

"Act" shall mean the Companies Act, 1956 or any other statutory amendment or re-enactment thereof;

"Acceptance Notice" shall have the meaning provided in Article 216(ii) of these Articles;

"Affiliates" of a Person (the **"Subject Person"**) means in the case of any Subject Person other than a natural Person, any other Person that, either directly or indirectly through one or more intermediate Persons, controls, is controlled by or is under common control with the Subject Person and where the Subject Person is a natural person, any Immediate Family of such Subject Person or any Person (other than a natural Person) controlled by such Subject Person or the trustees of any trust of which his/her Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, or any company in which he/she and his/her Immediate Family together (directly or indirectly) have an interest of more than fifty percent (50%) or any Person who is accustomed to act according to the instructions of the individual. For purposes of this definition, **"control"** means the power to direct the management or policies of a Person, directly or indirectly whether through the ownership of more than fifty (50%) of the voting power of such Person, through the power to appoint over half of the members of the board of directors or similar governing body of such Person, through contractual arrangements or otherwise; Notwithstanding the aforesaid, the term **"Affiliates"** as used in these Articles shall, with reference to the Company, include all the Persons forming part of the Promoter Group and any Person over which any Person forming a part of the Promoter Group acquires control at a later date;

"Alternate Director" shall have the meaning provided in Article 211(iii) of these Articles;

"Articles of Association" or **"Articles"** shall mean the articles of association of the Company as contained in this Part III, as amended from time to time;

"Board of Directors" or **"Board"** shall mean the board of directors of the Company in office at applicable times;

"Business" shall mean the business of (i) life insurance; (ii) health insurance; (iii) clinical research; (iv) healthcare and training of medical staff; and (v) manufacture of BOPP films, thermal lamination films and leather finishing foils, carried on by the Company either directly or through its Subsidiaries;

"Closing Date" shall mean the date of allotment of the CCDs to the Investor;

* New Articles Inserted as Part III of the Articles of Association vide special resolution passed at the EGM held on February 18, 2011.

"Company" shall mean Max Financial Services Limited, (Formerly Max India Limited) a public limited company incorporated under the Act;

"Compulsorily Convertible Debentures" or **"CCDs"** shall mean the fully and compulsorily convertible debentures of the Company of face value of Rs. 867/- (Rupees Eight Hundred and Sixty Seven Only) each, carrying an interest of 12% (twelve per cent) per annum issued to the Investor, with each CCD being convertible into 4 (four) Shares of the Company, and issued to the Investor on the terms and conditions agreed between the Parties;

"Conversion Shares" shall mean Shares of the Company allotted on conversion of CCDs as agreed by the Parties.

"Director" shall mean a director of the Company;

"Encumbrances" shall mean any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other Persons, claim, security interest, encumbrance, defect in title, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same;

"Event of Default" shall mean such events as agreed between the Parties;

"Excluded Entities" shall mean each of Pharmax Corporation Limited, Max Ateev Limited, Max Healthstaff International Limited, Neeman Medical International B.V., Neeman Medical International N.V., Max Neeman Medical International Inc., and Max UK Limited;

"Free Shares" shall mean 41,000,000 (forty one million) Shares as increased pursuant to any agreement between the Parties (in each case appropriately adjusted for any corporate actions including bonus issues, share splits/consolidations etc);

"Governmental Authority" shall mean (i) any nation or government or any province, state or any other political subdivision thereof; (ii) any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality; (iii) any court, tribunal or arbitrator; (iv) any securities exchange or body or authority regulating securities exchanges; in each case in India or Cyprus or such other jurisdiction of incorporation of the Investor, as applicable;

"Immediate Family" shall mean, with respect to any natural Person, the spouse, parents, children (whether natural or adopted), grandchildren and children's spouses of such Person;

"Investor" shall mean Xenok Limited, a company organized under the laws of Cyprus and having its registered office at ELIA House, 77 Limassol Avenue, 2121 Nicosia, Cyprus;

"Investor Nominee" shall have the meaning provided in Article 211(i) of these Articles;

"**Law(s)**" shall mean all applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees or other requirements or official directive of any Governmental Authority or Person acting under the authority of any Governmental Authority and / or of any statutory authority in India or Cyprus or such other jurisdiction of incorporation of the Investor as applicable;

"**Lock-In**" shall have the meaning provided in Article 214(i) of these Articles;

"**Memorandum of Association**" shall mean the memorandum of association of the Company, as amended from time to time;

"**Offered Shares**" shall have the meaning provided in Article 216(ii) of these Articles;

"**Original Director**" shall have the meaning provided in Article 211(iii) of these Articles;

"**Party**" shall mean each of the Investor, the Company and the Promoter Group individually and "Parties" shall refer to any two or more of them collectively;

"**Person**" shall mean any individual, entity, joint venture, company (including a limited liability company), corporation, partnership (whether limited or unlimited), proprietorship, trust or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority or political subdivision thereof, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

"**Prohibited Persons**" shall mean such Persons as agreed between the Parties;

"**Promoter**" shall mean Mr. Analjit Singh;

"**Promoter Group**" shall mean each of the Promoter, the Promoter's Immediate Family and such other Persons as mutually agreed between the Parties;

"**Purchaser**" shall have the meaning provided in Article 216(ii) of these Articles;

"**Rupees**" or "**Rs.**" or "**INR**" shall mean Indian rupees, the lawful currency of India;

"**Sale Notice**" shall have the meaning provided in Article 216(ii) of these Articles;

"**Securities**" shall mean the CCDs and Shares;

"**Shares**" shall mean the equity shares of the Company of a face value of Rs. 2/- each, with one vote per equity share;

"**Share Capital**" shall mean the total paid up and outstanding equity share capital of the Company from time to time, computed on a fully diluted and converted basis;

"**Subsidiary**" shall have the meaning provided to such term in Section 4 of the Act provided that solely for the purpose of Article 217 of these Articles, the terms "Subsidiary" shall not include the "Excluded Entities";

"**Tag Along Rights**" shall have the meaning provided in Article 216(i) of these Articles;

"**Tag Along Securities**" shall have the meaning provided in Article 216(ii) of these Articles;

"Tax" or "Taxes" means all national, local and foreign tax on net income, gross income, gross receipts, sales, use, ad valorem, value-added, capital gains, transfer, franchise and profits; withholding tax; service tax; duties of custom and excise, octroi duty, stamp duty or other taxes, statutory pension or other employment benefit plan contributions, fees, assessments or charges of any kind whatsoever, including any surcharge or cess thereon, together with any interest and any penalties, additions to tax or additional amount with respect thereto;

"Transfer" shall mean to transfer, sell, assign, pledge, hypothecate, create a security interest in or lien on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any Encumbrance or dispose of, whether or not voluntarily;

"Third Party" shall mean any Person as agreed between the Parties; and

"USD" shall mean United States Dollars, the lawful currency of the United States of America.

CONVERSION

210. Subject to the provisions of these Articles, each CCD shall convert into 4 (four) Shares of the company ("Conversion Ratio") in the manner agreed between the Parties.

Subject to applicable Law and notwithstanding anything contained elsewhere in these Articles, from the date of issuance of the CCDs to the Investor, the Conversion Ratio for each unconverted CCD shall be proportionately and appropriately adjusted (as required) for:

- (i) Any bonus issue of Shares, securities or convertible instruments by the Company;
- (ii) Any stock split, consolidation or other similar action in respect of the Share Capital; and
- (iii) Any other reorganization, recapitalization, merger, demerger, buyback, reclassification or similar event in respect of, or affecting the, Share Capital.

in each case, to ensure that the shareholding of the Investor and the Promoter is maintained at the levels agreed between the Parties.

The Company shall obtain in a timely manner any applicable approvals which are required from Governmental Authorities for giving effect to the provisions of this Article

BOARD COMPOSITION AND MANAGEMENT

211. (i) So long as the Investor or its Affiliates hold in the aggregate, at least half of the CCDs to which the Investor has subscribed, or equivalent Shares arising from their conversion, the Investor shall be entitled to appoint 1 (one) nominee to the Board and the same nominee to each committee of the Board ("Investor Nominee"). The Investor Nominee shall be a managing director (or its equivalent) of the Investor, provided that the Investor Nominee may appoint an alternate Director (being an employee of the Investor or its Affiliate). From the Closing Date and till the Investor Nominee is appointed as a Director on the Board, the Investor Nominee shall be entitled to attend all meetings of the Board and each committee of the Board as an observer and the Company shall provide notice to the Investor Nominee of all such meetings in advance simultaneous to giving notice of the same to its Directors.

- (ii) The Company and the Promoter Group shall take such action as may be necessary to give effect to the provisions of and comply with their obligations under these Articles including but not limited to this Article 211. Without prejudice to the generality of the foregoing, the Company and the Promoter Group shall take all necessary and reasonable steps within their power to ensure that the Investor Nominee and his/her alternate are appointed to the Board as soon as permitted under applicable Law, as agreed between the Parties.
- (iii) The Investor Nominee shall be entitled to appoint an alternate director (an "Alternate Director") in his/her place (an "Original Director"). Upon the appointment of the Alternate Director, the Company shall ensure compliance with the provisions of the Act, including by filing necessary forms with the registrar of companies. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director (including in relation to meetings of committees of the Board) and generally to perform all functions of the Original Director in his absence.

NOTIFICATION RIGHTS

212. (i) Notwithstanding anything to the contrary contained in these Articles or elsewhere, the Company shall not take a decision on any matter enumerated below ("Notification Matter"), whether at a meeting of the Board or its committees or in a general meeting of the shareholders of the Company, except for decisions taken to implement, or in pursuance of, provisions of these Articles, without first notifying the Investor in the manner specified herein.

The Notification Matters shall be the following:

- (a) any alteration in the capital structure of the Company or any Subsidiary including (I) an increase, decrease, buy back or other modification of the authorized or issued share capital, or (II) the creation or issue of any securities (including but not limited to equity shares, instruments convertible into equity shares, preference shares, warrants or options) by the Company or any Subsidiary, or (III) any event that results in a reduction of the Company's shareholding in any Subsidiary (computed as on February 25, 2010) save for (a) a reduction in the Company's shareholding in Max New York Life Insurance Company Limited pursuant to New York Life International LLC increasing its shareholding to 50% by acquiring the Option Shares (as understood in the amended and restated joint venture agreement dated July 15, 2008 between the Company and New York Life International LLC), (b) pursuant to the exercise of any employee stock options granted under an employee stock option plan approved by the board of the relevant Subsidiary, or (c) a reduction in the Company's shareholding in Max Bupa Health Insurance Company Limited pursuant to Bupa Singapore Holdings Pte Ltd or any of its affiliates increasing its shareholding to 50% by acquiring the Option Securities (as understood in the Option Agreement dated August 11, 2009, as amended by the Deed of Variation agreement dated December 23, 2009, between the Company, Bupa Finance Plc and Bupa Singapore Holdings Pte Ltd);
- (b) any merger, acquisition, liquidation or divestment by the Company or any Subsidiary exceeding USD 50 million;
- (c) commencement of any new business by the Company or any Subsidiary except in the business of dialysis centres, diagnostic chains and medical education;

- (d) related party transactions (other than transactions amongst the Company and its Subsidiaries or amongst the Subsidiaries so long as these transactions are entered into in the ordinary course of business at arm's length), between the Company and/or its Subsidiaries on the one hand and the Promoter Group on the other hand (other than transactions involving an amount of less than Rs. 10,00,00,000 (Rupees Ten Crores only) per annum on a consolidated basis);
 - (e) formulation of the business plan of the Company and its Subsidiaries and any actions outside of such business plan involving an expenditure, investment, loan, incurrence of debt or acquisition of more than USD 25,000,000 (United States Dollars Twenty Five Million only) by the Company or any Subsidiary in any given financial year;
 - (f) declaration or payment of any dividend by the Company or any Subsidiary;
 - (g) settlement of any litigation by the Company or any Subsidiary involving an amount in excess of USD 5 million; and
 - (h) any amendments to the Memorandum or Articles of Association of the Company or any Subsidiary which materially affects the Investor's interests.
- (ii) At least 3 (three) Business Days prior to the date on which any decision is proposed to be taken on any Notification Matter, the Company shall give written notice of the same to the Investor, setting out full details in relation to the Notification Matter.
 - (iii) The Investor may, at its sole discretion, choose to give its recommendations on the Notification Matter to the Company.
 - (iv) In the event that the Investor exercises its option to give its recommendations on the Notification Matter pursuant to Article 212(iii) above, and its recommendation is at variance with the proposed decision of the Company with respect to the Notification Matter, then the Company shall consider such recommendation in good faith prior to arriving at a decision in respect of the Notification Matter, provided however that the final decision in respect of any Notification Matter shall rest with the Company and shall not require the prior consent or approval of the Investor.
 - (v) The rights under this Article 212 shall be available to the Investor so long as the Investor (together with its Affiliates) holds at least half of the CCDs to which the Investor has subscribed or equivalent Shares arising from their conversion.

DIRECTOR'S REMUNERATION

213. In accordance with applicable Law, the Investor shall be paid reasonable out of pocket expenses (including domestic travel and hotel expenses) and sitting fees by the Company for its nominee/s to attend Board meetings and Board committee meetings.

TRANSFER OF SECURITIES BY THE INVESTOR

214. (i) Subject to applicable Law and Articles 214(ii) and 216 below, the Investor shall not Transfer any Securities acquired and held by it pursuant to any agreement between the Parties to such effect, to a Third Party for a period of 18 (eighteen) months from the date of allotment of the CCDs to the Investor ("Lock-In").
- (ii) Notwithstanding the restrictions contained in this Article 214, the Investor may, at any time, and in compliance with applicable Law, Transfer all or any of its Securities to one or more of its Affiliates provided that each Affiliate, prior to the Securities being transferred in its name, agrees and undertakes to be bound by the terms and

conditions of these Articles and executes a deed of adherence in the form agreed between the Parties, and provided further that in the event such transferee ceases to be an Affiliate of the Investor, such transferee shall and the Investor shall cause such transferee to Transfer the Securities held by it to the Investor or any other Affiliate of the Investor.

- (iii) After the expiry of the Lock-In, the Investor shall be free to Transfer all or part of the Securities held by it to any Third Party (including by way of an on-market Transfer on the stock exchange or an off-market Transfer off the stock exchange), provided that the Investor shall not Transfer the Securities to any Prohibited Person so long as the Promoter Group (along with any Affiliates if any, who have executed a deed of adherence agreeing to be bound as agreed between the Parties and become a part of the Promoter Group) holds at least 26% (Twenty Six Percent) of the equity share capital of the Company, provided however that nothing herein shall restrict the Investor from selling its Securities on a stock exchange so long as the sale is not made intentionally or knowingly by the Investor to a Prohibited Person. The Investor shall inform the Promoter with respect to its intention to Transfer the Securities and enter into good faith negotiations with the Promoter for a period of upto 10 (ten) days from the date of such intimation to assess whether the Investor and the Promoter Group can come to an agreement in relation to a sale of the Securities by the Investor to the Promoter Group. If the Investor and the Promoter fail to conclude an agreement on such sale of the Securities within the 10 (ten) day period, the Investor shall be free to Transfer the Securities to a Third Party. It is clarified that notwithstanding such negotiations, the Transfer of the Securities by the Investor does not require any consent, in any form whatsoever, of the Promoter Group, for any such Transfer by the Investor.
- (iv) In the event that the Investor Transfers any or all of the Securities held by it to a Third Party, then such Third Party transferee shall be entitled to appoint a nominee director (who shall be a managing director (or equivalent) of such Third Party transferee) to the Board and each committee of the Board (together with an alternate director for such nominee) and shall also have a pro rata tag along right in any Transfer of Securities by the Promoter Group or their Affiliates, subject to the following conditions:
 - (a) The Transfer comprises of Securities constituting at least 80% (Eighty Percent) of the CCDs subscribed to by the Investor or equivalent Shares arising from their conversion;
 - (b) The Third Party transferee shall be a reputable Person acceptable to the Promoter Group and the Company, which acceptance shall not be unreasonably withheld;
 - (c) The Third Party transferee shall not be entitled, whether directly or indirectly, to Transfer any Securities of the Company held by it, to a Prohibited Person, provided that nothing herein shall restrict the Third Part transferee from selling its Securities on a stock exchange so long as the sale is no made intentionally or knowingly by the Third Party transferee to a Prohibited Person; and
 - (d) The Third Party transferee and its Affiliates hold in the aggregate Securities representing at least 5% (Five Percent) of the equity share capital of the Company.

The Promoter Group and the Company undertake to enter into a separate agreement with a Third Party transferee satisfying the conditions set out in Article 214(iv) above,

to provide for the rights available to such Third Party transferee as contemplated hereunder.

It is clarified that the number of Shares that the Third Party transferee shall be entitled to sell pursuant to the exercise of its tag-along rights shall bear to the number of Offered Shares (as defined hereinafter), the same proportion as the aggregate number of Securities held by the Third Party transferee (together with its Affiliates) bears to the aggregate number of shares held by the Promoter Group. In the event that the Purchaser (as defined hereinafter) is not willing to acquire all the Shares offered by the Third Party transferee together with the Offered Shares proposed to be sold by the Promoter Group and the Tag Along Securities offered by the Investor, then the number of shares to be sold by the Promoter Group and the Third Party transferee shall be calculated as follows:

- (a) The Shares to be Transferred by the Promoter Group to the Purchaser shall be equal to $(A/B) * C$, where A represents the total number of Shares held by the Promoter Group as on the date of the Sale Notice, B represents the total number of Securities held in the aggregate by the Promoter Group, the Investor and the Third Party transferee as on the date of the Sale Notice, and C represents the total number of Securities that the Purchaser is willing to purchase; and
- (b) The Shares to be Transferred by the Third Party transferee to the Purchaser shall be equal to $(E/B) * C$, where E represents the total number of Shares held by the Third Party transferee as on the date of the Sale Notice, B represents the total number of Securities held in the aggregate by the Promoter Group, the Investor and the Third Party transferee as on the date of the Sale Notice, and C represents the total number of Securities that the Purchaser is willing to purchase.

For the purpose of making the above computation, any CCDs held by a Person shall be treated as being equivalent to 4 (four) Shares.

- (v) Notwithstanding the above, but subject to Law and the execution of confidentiality agreements (as are customary in such transactions), the Company and the Promoter Group shall provide all reasonable and necessary assistance to enable any Person identified by the Investor, to whom the Investor intends to Transfer, all or part of the Securities, to carry out a due diligence review of the Company and the Subsidiaries as may be generally required or reasonably requested by any such Person, provided that the Securities proposed to be Transferred to such Person by the Investor constitute at least 80% (Eighty Percent) of the CCDs subscribed to by the Investor or equivalent Shares arising from their conversion.
- (vi) The Investor and/or its Affiliates shall not directly or indirectly Transfer all or any of the Securities held by them except in accordance with these Articles. For the purpose of these Articles, it is clarified that any direct or indirect Transfer of the legal or beneficial ownership interest in the Investor or shall be deemed to be a Transfer of the Shares held by the Investor. Any Transfer in breach of these Articles (including this Article 214), shall be null and void. Any Transfer of Securities in breach of these Articles shall not be binding on the Company and to the extent applicable, the Company shall be fully entitled to refuse to recognize any purported Transfer of Securities in violation of these Articles or record or register any such Transfer of Securities.

TRANSFER OF SECURITIES BY THE PROMOTER GROUP

215. (i) The Promoter Group shall not directly or indirectly Transfer all or any of the Shares held by them except in accordance with these Articles. Any Transfer in breach of these Articles shall be null and void, and shall not be binding on the Company and the Company shall refuse to recognize any purported Transfer of Shares in violation of these Articles or record or register any such Transfer of Shares.
- (ii) In order to protect the value of the investment by the Investor and ensure the continued interest of the Promoter Group in the Company and its Subsidiaries, so long as the Investor and its Affiliates together hold at least half of the CCDs to which the Investor has subscribed (or equivalent Shares arising from their conversion):
- (a) The Promoter Group shall continue to legally and beneficially own Shares representing at least 26% of the equity share capital of the Company at all times and shall not directly or indirectly Transfer these Shares without obtaining the prior written approval of the Investor, which shall be forthcoming at the Investor's sole discretion. For the purpose of this Article 215(ii)(b), it is clarified that any direct or indirect Transfer of the legal or beneficial ownership interest in a Person forming part of the Promoter Group shall be deemed to be a Transfer of the Shares held by such Person forming part of the Promoter Group; and
- (b) The Promoter, by himself and/or through the entities in the Promoter Group, shall at all times continue to exercise control (directly or indirectly) over at least 26% (twenty six percent) of the equity share capital of the Company.
- (iii) Any Transfer by the Promoter Group (whether or not requiring the Investor's consent) shall be subject to the Investor's Tag Along Rights as set out in Article 216 below.
- (iv) It is clarified that the following are permitted so long as (a) the Promoter Group continues to legally and beneficially own Shares representing at least 26% of the equity share capital of the Company at all times; and (b) the Promoter, by himself and/or through the entities in the Promoter Group, at all times continues to exercise control (directly or indirectly) over at least 26% (twenty six percent) of the equity share capital of the Company:
- (a) any Transfer of Shares amongst the constituents of the Promoter Group or their Affiliates subject to such Affiliates executing a deed of adherence as agreed between the Parties and agreeing to be bound as part of the Promoter Group prior to such Transfer, and subject further to the condition that in the event such Person ceases to be an Affiliate of the Promoter Group, then such Person shall, and the Promoter Group shall cause such Person to, re Transfer all the Shares Transferred to it back to the Promoter Group;
- (b) any Transfer pursuant to any merger, demerger or any other corporate reorganization amongst or within the constituents of the Promoter Group; and
- (c) any pledge by the Promoter Group or their Affiliates of Shares other than the Free Shares.

INVESTOR TAG ALONG RIGHTS

216. (i) The Investor shall have pro-rata tag-along rights in any proposed Transfer of Shares by the Promoter Group, exercisable at its sole discretion, in the manner specified in this Article 216 ("**Tag Along Rights**").

- (ii) Upon identifying a third party to acquire Shares held by them or any part thereof (the "**Purchaser**"), the Promoter Group shall communicate the same to the Investor by way of a written notice, setting out the following details in relation to the third party's offer (the "**Sale Notice**"): (i) price per Share; (ii) number of Shares proposed to be Transferred ("**Offered Shares**"); (iii) identity and material particulars regarding the Purchaser; and (iv) material terms and conditions for the proposed Transfer. The Investor shall, within a period of 30 (thirty) days from the date of receipt of the Sale Notice, be entitled to exercise its Tag Along Rights and offer the Securities held by it, pro rata to the Shares proposed to be Transferred by the Promoter Group to the Purchaser, by delivery of a written notice to the Promoter Group ("**Acceptance Notice**"). The Securities that the Investor is entitled to transfer under this Article shall be hereinafter referred to as the "**Tag Along Securities**".
- (iii) It is clarified that the number of Tag Along Securities shall bear to the number of Offered Shares the same proportion as the aggregate number of Securities held by the Investor bears to the aggregate number of Shares held by the Promoter Group. In the event that the Purchaser is not willing to acquire all the Tag Along Securities offered by the Investor together with the Offered Shares proposed to be sold by the Promoter Group, then the number of Securities to be sold by the Promoter Group and the Investor shall be calculated as follows:
 - (a) The Shares to be Transferred by the Promoter Group to the Purchaser shall be equal to $(A/B) * C$, where A represents the total number of Shares held by the Promoter Group as on the date of the Sale Notice, B represents the total number of Securities held in the aggregate by the Promoter Group, the Investor and a Third Party transferee (if any) entitled to tag along rights pursuant to Article 214 above as on the date of the Sale Notice, and C represents the total number of Securities that the Purchaser is willing to purchase; and
 - (b) The Shares to be sold by the Investor to the Purchaser shall be equal to $(D/B) * C$, where D represents the total number of Securities held by the Investor as on the date of the Sale Notice, B represents the total number of Securities held in the aggregate by the Promoter Group, the Investor and a Third Party transferee (if any) entitled to tag along rights pursuant to Article 214 above as on the date of the Sale Notice, and C represents the total number of Securities that the Purchaser is willing to purchase.
- (iv) For the purpose of determining the number of Shares that the Investor shall be entitled to Transfer pursuant to the exercise of its Tag Along Rights in accordance with the above, each CCD shall be treated as being equivalent to 4 (four) Shares. However, for the avoidance of doubt, it is clarified that the Investor shall be entitled to Transfer only the Shares of the Company held by the Investor pursuant to the exercise of its Tag Along Rights. Accordingly, the Investor shall be mandatorily required to convert CCDs proposed to be offered by the Investor pursuant to the exercise of its Tag Along Rights, into underlying Shares of the Company in accordance with the conversion mechanics agreed between the Parties, prior to the consummation of the transfer of the Tag Along Securities to the Purchaser pursuant to the exercise of the Investor's Tag Along Rights.
- (v) The Transfer of the Shares by the Promoter Group to the Purchaser shall be conditional upon such Purchaser acquiring the Tag Along Securities offered by the Investor in exercise of its Tag Along Rights on terms no less favourable than those offered by such third party to the Promoter Group and the Investor shall be paid the same price per Tag Along Security and the sale shall be effected on the same terms and conditions as are received by the Promoter Group, provided that the only

representation which the Investor may in this case be required to provide shall be limited to the title of the Tag Along Securities being sold by the Investor.

- (vi) The sale of Shares and any Tag Along Securities by the Investor pursuant to this Article 216 shall be completed within 60 (sixty) days of the delivery of the Sale Notice by the Promoter Group to the Investor, failing which the Promoter Group shall not Transfer any Shares to the Purchaser and the process set out in this Article 216 shall again become applicable to the Transfer of any Shares by the Promoter Group to the Purchaser. In the event the Promoter Group does not receive any response to the Sale Notice within a period of 30 (thirty) days, or the Investor having responded does not exercise its Tag-Along Rights, then the Promoter Group shall be entitled to Transfer its Securities to any Person within a period of 60 (sixty) days from the date of the Sale Notice.
- (vii) Nothing in this Article 216 shall apply to:
 - (a) any Transfer of Shares amongst the constituents of the Promoter Group or their Affiliates subject to such Affiliates executing a deed of adherence as agreed between the Parties and agreeing to be bound as part of the Promoter Group prior to such Transfer, and subject further to the condition that in the event such Person ceases to be an Affiliate of the Promoter Group, then such Person shall, and the Promoter Group shall cause such Person to, re Transfer all the Shares Transferred to it back to the Promoter Group;
 - (b) any Transfer pursuant to any merger, demerger or any other corporate reorganization amongst or within the constituents of the Promoter Group; or
 - (c) any pledge by the Promoter Group or their Affiliates of Shares other than the Free Shares.

INFORMATION RIGHTS

- 217. So long as the Investor or its Affiliates hold in the aggregate, at least 30% (Thirty Percent) of the CCDs to which the Investor has subscribed, or equivalent Shares arising from their conversion, the Investor shall be entitled to seek the following information in relation to the Company and its Subsidiaries, and the Company shall furnish to the Investor such information, upon the Investor choosing to exercise its right under this Article 217:
 - (i) Information and documents pertaining to the financial and operational performance of the Company (with such information and documents being provided separately for the Company and the Max Specialty Division of the Company), Max New York Life Insurance Company Limited, Max Healthcare Institute Limited, Max Bupa Health Insurance Company Limited and Max Neeman Medical International Limited, including business plans and financial statements and which shall include without limitation the key parameters as agreed between the Parties, on a quarterly basis (unless the information previously submitted to the Investor in respect of such parameter in the preceding quarter has not changed), or as may be mutually agreed between the Investor and the Company;
 - (ii) Monthly information reports pertaining to the financial and operational performance of the Company (with such reports being provided separately for the Company and the Max Specialty Division of the Company), Max New York Life Insurance Company Limited, Max Healthcare Institute Limited, Max Bupa Health Insurance Company Limited and Max Neeman Medical International Limited, as prepared by the Company, within 20 (twenty) days of the end of each month;
 - (iii) Visitation and inspection rights (including books and records);

- (iv) Any material information relating to the business, including resignation of any member of the senior management of the Company and the chief executive officers of the Subsidiaries, immediately upon the occurrence of such material event and in any event not later than 7 (seven) days from the relevant date;
- (v) Information pertaining to whether or not the Company would qualify as a non-banking financial company under Law, from time to time;
- (vi) Such other information on a quarterly and monthly basis as the Investor and the Company may mutually agree; and
- (vii) Any other information as may be reasonably requested by the Investor or the Investor Nominee.

NON COMPETE

218. (i) So long as the Investor (together with its Affiliates) holds in the aggregate, at least 10% (Ten Percent) of the CCDs to which the Investor has subscribed, or equivalent Shares arising from their conversion, the Promoter Group shall refer all corporate opportunities that arise in relation to the Business to the Company and/or the Subsidiaries, as the case may be, and shall not, during the term of these Articles, directly or indirectly (including but not limited to through any Person allied by kindred or marriage or otherwise, whether in their own capacity or in conjunction with or on behalf of any Person, as an employee of, or adviser or shareholder or consultant of any other Person, firm or company or through their Affiliates), compete with the Company and/or the Subsidiaries or undertake activities similar to the activities of the Company and/or the Subsidiaries, including but not limited to:
- (a) engage in, set up, promote, or finance (whether through debt or equity or any other means) a business, venture or company which engages in the same business as the Business or any part thereof;
 - (b) enter into any agreement or arrangement relating to a business similar to the Business with any Person involved in the same or which would result in the business of such Person becoming a business similar to the Business;
 - (c) solicit, entice away or attempt to solicit or entice away from the Company or any Subsidiary, any customer, client, vendor, lessor, representative, agent, franchisees, business associates or employee, or former employees of the Company or the Subsidiary except where such former employees have ceased to be in employment with the Company or its Subsidiaries for at least 6 (six) months; and
 - (d) provide any know-how or technical assistance to any Person in relation to the Business.
- (ii) It is clarified that the non-compete obligations contained hereunder shall not be applicable to the spouse/s of the Promoter's children provided that they are already directly engaged in a business which competes with the Business of the Company and/or the Subsidiaries as of the date of these Articles or as of the date on which they become spouse(s) of the Promoter's children, as the case may be.
- (iii) The Promoter Group understands, acknowledges and agrees that the Company's and the Investor's need for protection afforded by this Article 218 is greater than any hardship the Promoter Group might experience in complying with its terms. The Promoter Group agree that the limitations as to time and scope of activity to be restrained as contained in these Articles are reasonable and are no greater than are

necessary to protect the Business and other interests of the Company. The Promoter Group further understands and agrees that in the event of any breach of any or all of the promises and/or covenants in this Article 218 by any of the Promoter Group, the Company and the Investor will suffer immediate, material, immeasurable, continuing and irreparable damage and harm, the remedies at law for such breach will be inadequate, and therefore the Company and the Investor shall be entitled to injunctive relief against the Person in breach of this Article 218 in addition to any and all other legal or equitable remedies (including, but not limited to, specific performance of this Article 218 or an action and judgment for damages).

- (iv) The non-compete obligations set out in this Article 218 shall not be applicable to: (a) the Promoter's hospital/health resort in Malsi, Dehradun; (b) portfolio investments by the Promoter Group in listed companies so long as such investments do not result in either a minority ownership (direct or indirect) of more than 5% (Five Percent) or an investment of over Rs. 25,00,00,000 (Rupees Twenty Five Crores Only) per company; and (c) investments in mutual funds, private equity funds and/or hedge funds each of which is not directly or indirectly managed or controlled by the Promoter Group or its Affiliates.

- 219. The Company shall not, and the Promoter Group shall ensure that the Company does not, utilize all or part of the amount obtained from the Investor pursuant to the subscription of the CCDs for the purpose of carrying on any business through any of the Excluded Entities. The Company shall not, and the Promoter Group shall ensure that the Company does not, carry on the Business through any of the Excluded Entities save for Max Healthstaff International Limited which is engaged in the business of training of medical staff.

FREE SHARES

- 220. (i) The Promoter Group shall, within a period of 18 months of the Closing Date, increase the number of Free Shares held by it to 46.2 million Shares (appropriately adjusted for any corporate actions including bonus issues, share splits/consolidations etc). These Free Shares shall be free of all Encumbrances and the Promoter Group shall not in any manner, directly or indirectly, Encumber these Free Shares without the prior written permission of the Investor.
- (ii) The rights under this Article 220 shall be available to the Investor so long as it, together with its Affiliates, holds at least half of the CCDs to which it has subscribed, or equivalent Shares arising from their conversion.

MISCELLANEOUS

- 221. The Investor and its Affiliates shall not be treated as a "promoter" or as part of the "promoter group" of the Company by virtue of subscribing to the CCDs of the Company or acquiring the Conversion Shares or Securities of the Company, and accordingly neither the CCDs, nor the Conversion Shares shall be subject to any restriction (including in relation to a lock-in restriction) applicable to the promoter/promoter group under any Law. The Company shall not, and the Promoter Group shall ensure that the Company does not, designate the Investor or its Affiliates as a "promoter" or forming part of the "promoter group" in any disclosure, filing or offer document made or released by the Company, the Promoter Group or any Subsidiary.
- 222. The Promoter Group shall disclose to the Investor, any proposed related party transactions between the Company and/or its Subsidiaries on the one hand and the Promoter Group and its Affiliates on the other hand, which involve an amount of Rs. 10,00,00,000 (Rupees Ten Crores Only) or more per annum (computed on a consolidated basis), prior to the meeting of the Board of directors or shareholders of the Company and/or the relevant Subsidiaries (as applicable) at which such transactions are to be considered and approved. The Promoter Group also agrees and undertakes that it shall

represent to the board of directors of the Company and/or the relevant Subsidiaries or their shareholders (as applicable) that the proposed transactions are to be undertaken on an arms' length basis.

223. The Parties have entered into an agreement concerning the rights and/or obligations of each Party with respect to subscription of CCDs by the Investor and the salient terms of the said agreement have been incorporated into the Articles. The Company has undertaken that it shall not aid or abet any violation of such agreement. It is however clarified that the Company shall not be required to take any action which is contrary to or in violation of the Act or any other applicable Laws.

224. The Articles shall cease to have effect when:

- (a) (I) the Investor Transfers at least 80% (Eighty Percent) of the Securities to which it has subscribed to an eligible Third Party transferee in accordance with Article 214 above, and (II) such Third Party transferee becoming entitled to enjoy the rights set out thereof (each of conditions (I) and (II) herein being cumulatively satisfied); provided however that the Investor's Tag Along Rights under these Articles shall continue in full force and effect so long as the Investor (together with its Affiliates), holds at least 1 (one) CCD to which the Investor has subscribed or at least 1 (one) Share arising from conversion of any CCD; or
- (b) subject to Article 224(a) above, the Investor (together with its Affiliates), holds at least 1 (one) CCD to which the Investor has subscribed or at least 1 (one) Share arising from conversion of any CCD; or
- (c) upon the occurrence of an Event of Default, subject to, and as agreed by, the Parties.

Any cessation of these Articles pursuant to this Article 224 shall be without prejudice to any rights or obligations accrued to, or in respect of any Party, prior to the date of such cessation and shall not relieve any Party for any liability prior to such cessation. The provisions of Articles 218 and 224 shall survive any such cessation of these Articles.

Names, addresses, descriptions and occupation of subscribers	Signature of Subscribers	Name, addresses, description, and occupation of witness
1. Bhai Analjit Singh S/o Bhai Mohan Singh 15, Aurangzeb Road, New Delhi-110011 (Service)	Sd/-	<p style="text-align: center;">I witness the signature of all the subscribers.</p> <p style="text-align: center;">Sd/- (V. Kathiresan) S/o Sh. N. Velayudhan, H. No. 1173, Sector 3, Pushpa Vihar, New Delhi - 110017 (Service)</p>
2. Rajender Nakra S/o Sh. K. G. Nakra B-24, Panch Sheel Enclave, New Delhi-110017 (Service)	Sd/-	
3. Mukesh Mittal S/o Sh. K. K. Mittal M-48, Rajouri Garden New Delhi-110027 (Service)	Sd/-	
4. Deepak Singhal S/o Sh. R. C. Singhal 38- Pocket-B, Sukhdev Vihar, New Delhi-110023 (Service)	Sd/-	
5. S. Kaul S/o Sh. B. N. Kaul B-3/42, Ashok Vihar-II New Delhi-110052 (Service)	Sd/-	
6. Bishwajit Das S/o Sh. B. P. Das J- 76, Saket, New Delhi-110017 (Service)	Sd/-	
7. Yogesh Kumar Goel S/o Sh. Brehma Sarup Goel 1194/15-B, Chandigarh (Service)	Sd/-	