

The Companies Act, 2013
Public Company limited by Shares
Articles of Association
of
Honda Siel Power Products Limited

Preliminary

1. No regulations contained in Table F in the First Schedule to the Companies Act, 2013 shall apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to, its regulations by special resolutions, as prescribed by the Companies Act 2013 be such, as are contained in these Articles.

Interpretation

2. In these regulations –
 - (a) “the Act” means the Companies Act, 2013,
 - (b) “the Seal” means the common Seal of the Company.
3. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.
4. “The Company” means Honda Siel Power Products Limited.
5. “Honda” means Honda Motor Co., Ltd., a corporation duly organized and existing under the laws of Japan.
6. “Siel” means Siel Holdings Limited (SHL) or any successor of SHL that may be created through mergers/demergers etc.
7. Words importing the masculine gender also include the neuter and feminine genders.
8. Words importing the singular number also include the plural number, and vice versa.

Share capital and variation of rights

9. The Authorized share capital of the Company is Rs. 15, 00, 00,000 (Fifteen Crore) divided in to 1, 50, 00,000(One Crore Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten) each.
10. The Company may issue the following kinds of shares in accordance with these Articles, the Act, and other applicable laws:
- (a) Equity share capital:
 - (i) with voting rights; and / or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
 - (b) Preference share capital
 - (c) The option or right to call for shares shall not be given to any person or persons without the sanction of the Company in general Meeting.
11. (i) 50,01,000 equity shares of Rs. 10/- (Rupees Ten) each, out of the share capital of the Company which is 1,50,00,000 shares, have been allotted to Public and the remaining 99,99,000 equity shares have been allotted to Honda and Siel.
- (ii) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
- (iii) In case where new equity shares (including the issuance of warrants, convertible debentures or any other arrangement which may result in an increase of the paid-up capital) are issued for increase of capital beyond the then existing share capital, in respect of such shares or debentures, the shareholders of the Company, shall, subject to paragraph (v) below, have a preferential preemptive right of subscription, in proportion to the then existing shareholding by them in the Company. In the event that any of the shareholders of the Company does not, during the period prescribed by the terms and conditions of the issue of new equity shares, subscribe to any or all of the new equity shares to which he has a right to subscribe under the preemptive right referred to above, or pay for any or all of the equity shares subscribed, then the Board of Directors shall take steps subject to the approval, if necessary, of the competent authorities in the Union of India for the issue and allotment of such un-subscribed shares.
- (iv) In the event of any failure or delay of any Public shareholder to subscribe to or pay for equity shares, to which such Public shareholder has the right to subscribe under the preemptive right referred to in paragraph (iii) above (such equity shares

being herein referred to as “Public Shares”), shall not relieve either Honda or Siel of its obligation to subscribe and to pay the number of shares respectively offered to them under paragraph (iii) above Except so far as otherwise provided by the terms of issue or by these Articles, any capital raised by the issuance of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, voting and otherwise.

- (v) The Company may in a general meeting cancel shares which at the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled and also to consolidate all or any of its share capital into shares of larger amount than its existing shares.
- (vi) Every member, or his executors, administrators or other legal representatives, shall pay to the Company a proportion of the capital represented by his shares which may for the time being remain unpaid, in such amounts, at such times, and in such manner as the Board shall from time to time in accordance with the Company's regulations require or fix for the payment thereof.

12. Notwithstanding the provisions in Article 12 above:

- (i) a further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the provisions of the Act if such an issue is authorized by a special resolution of the shareholders in general meeting.
- (ii) subject to Section 62(3) of the Act, the Company may increase its subscribed capital by the issue of equity shares allotted on exercise of an option attached to loans raised by the Company, to convert such loans into equity shares.

13. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the shares to enable the depository to enter in his records the name of such person as the beneficial owner of those shares.

14. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue provide,—

- (a) one certificate for all his shares without payment of any charges; or

- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - (iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 15.**
 - (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fees as may be prescribed by the Board which in no case exceed Rs.50 for each certificate.
 - (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the Company.
- 16.** Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 17.**
 - (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
 - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - (iii) The 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.
- 18.**
 - (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a

special resolution passed at a separate meeting of the holders of the shares of that class.

- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

19. 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.

20. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted into equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the provisions of the Act.

Lien

21. (i) The Company shall have a first and paramount lien—

- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

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

- (ii) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

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

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen 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.

- 23.** (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 24.** (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists and as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

- 25.** (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:\

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- 26.** A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
- 28.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

- 29.** (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 30.** (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 31.** The Board—
- (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 not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

- 32.** The Company shall have a “Register of Transfers” and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share, debenture or any other security held in material form.
- 33.** (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 34.** The Board may, subject to the right of appeal conferred by Section 58, decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

- (b) any transfer of shares on which the Company has a lien.

35. The Board may decline to recognise any instrument of transfer unless—

- (a) the instrument of transfer is in the form as prescribed in rules made under subsection (1) of Section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (c) the instrument of transfer is in respect of only one class of share, and
- (d) the instrument of transfer is duly stamped.

Registers

- 36.** (i) The Company shall keep and maintain at its registered office 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 loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner including in any electronic media capable of being reproduced in a readable form and containing such particulars as prescribed by the Act and the Rules made there under. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules framed under the Act.
- (ii) 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.
- (iii) The foreign register 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 register of members.
- 37.** On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

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

Transmission of shares

- 38.** (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person/s recognised by the Company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share, which had been jointly held by him with other persons.
- 39.** (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may, from time to time, properly be required by the Board and subject to as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 40.** (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iv) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer, as aforesaid, as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer, signed by that member.
- 41.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company and exercising voting rights:

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

Forfeiture of shares

- 42.** If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
- 43.** The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 44.** If the requirements of any such notice, as aforesaid, are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 45.**
- (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 46.**
- (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
 - (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
 - (iii) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

47. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute an instrument of transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- (v) The proceeds of the sale shall be received by the Company and applied in payment of the amount as is presently payable on the shares forfeited and interest and other charges thereon.
- (vi) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale.
48. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

Dematerialisation

49. (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise/rematerialise its Securities and to offer Securities in dematerialised form pursuant to the Depositories Act, 1996.
- (ii) Every person subscribing to Securities of 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 a manner provided by the Depositories Act, and the Company shall in the manner and within the time prescribed issue to the Beneficial Owner the required certificates of Securities.
- (iii) All Securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in the applicable provisions of the Act and these Articles, shall apply to a Depository in respect of the Securities held by him on

behalf of the Beneficial Owners.

- (iv) 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 Security held by him.
 - (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.
- (v) Notwithstanding anything in the Act, or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (vi)
 - (a) Nothing contained in the applicable provisions of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
 - (b) In the case of transfer or transmission of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
- (vii) Nothing contained in the Act or these Articles regarding the necessity of having certificate numbers / distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- (viii) The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be the Register and Index of Members and security holders for the purposes of these Articles.

Nomination

- 50.** (1) Every holder of Shares in, and /or Debentures of the Company so entitled under the Act and Rules framed thereunder, may, at any time, nominate in a manner

prescribed under the Act, a person to whom his Shares in and/or Debentures of, the Company shall vest in the event of his death.

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

51. Notwithstanding anything contained in these Articles, any person who becomes a nominee by virtue of the provisions of Article 50 upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:

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

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

All the limitations, restrictions and provisions of these Articles, relating to the right to transfer and the registration of transfers of Share(s) and/or Debenture(s) shall be applicable to any such notice or transfer as aforesaid as if the death of the shareholder / debenture holder had not occurred and the notice of transfer were signed by that shareholder and/or debenture

holder as the case may be.

A person, being a nominee, becoming entitled to the Shares and/or Debentures by reason of the death of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the Shares and /or Debentures, except that he shall not before being registered a Member in respect of his Shares or Debentures be entitled in respect of it to exercise any right conferred by membership in relation to Meetings of the Company and to voting rights; 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/or Debentures and if the notice is not complied with, within ninety days, the Board may thereafter withhold payment of all Dividends, bonuses or other moneys payable in respect of the Shares and/or Debentures, until the requirements of the notice have been complied with.

Jointholders

52. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.
- (b) On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
- (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
- (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint holders.
- (e)
 - (i) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.

- (ii) The person whose names stand first alone shall be entitled to vote in a postal ballot or e-voting.
 - (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint holders.
- (f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

Alteration of capital

- 53.** The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 54.** Subject to the provisions of Section 61, the Company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its then existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its then existing shares into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Stock

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

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

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

Reduction of Capital

- 56.** The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules made there under, —
- (a) its share capital; and/or
 - (b) any capital redemption reserve account; and/or
 - (c) any securities premium account; and/or
 - (d) any other reserve in the nature of share capital.

Capitalization of profits

- 57. (i)** The Company in general meeting may, upon the recommendation of the Board, 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 profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii)** The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards —
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

- (B) paying up in full, unissued shares or unissued debentures of the Company, to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares or debentures;
- (E) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

58. (i) Whenever such a resolution, as aforesaid, shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares or debentures, if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares/debentures becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares/debentures to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

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

General meetings

- 60.** (i) The Company shall in each year, in addition to any other meetings, hold a general meeting herein called an “Annual General Meeting” at the intervals and in accordance with the provisions herein specified. An Annual General Meeting shall be held within 6 months after the expiry of each financial year: provided, however, that with the permission of the Registrar of Companies the time for holding any Annual General Meeting may be extended by a period not exceeding 3 months. If for any reason beyond the control of the Board, the General Meeting (including an Annual General Meeting) can not be held on the appointed day, the Board shall have the power to postpone the General Meeting of which a notice should be given to the Members through advertisement in at least two newspapers, of which one should be in the language of the region in which the Office of the Company is situated.
- (ii) All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 61.** (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company holding in the aggregate at least 10 per cent of the equity capital, may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

- 62.** (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103.
- 63.** The chairperson, or in his absence the Vice-Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

64. If there is no such Chairperson or Vice- Chairperson, or if he/she is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
65. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
66. Subject to the provisions of section 110 of the Act, the Company may transact any business other than the ordinary business in respect of which the directors or auditors, as the case may be, have a right to be heard at a meeting by means of postal ballot.

Adjournment of meeting

67. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
 - (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
 - (iv) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
 - (v) Notwithstanding the provisions of this clause, the Chairperson of a validly convened general meeting may adjourn the meeting in the event of disorder provided that such an adjournment shall not be for a period longer than the Chairperson considers necessary to bring order at the meeting and the Chairperson communicates his decision to those present in so far as it is possible.

Voting rights

68. Subject to any rights or restrictions for the time being attached to any class or classes of shares —
 - (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
69. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.

70. (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.
71. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
72. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
73. No member shall be entitled to vote at any general meeting in respect of a shares unless all calls or other sums presently payable by him in respect of that share/s in the Company have been paid.
74. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

75. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised or a self attested copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for taking of the poll; and in default the instrument of proxy shall not be treated as valid.
76. An instrument appointing a proxy shall be in the form as prescribed in the Rules made under Section 105.
77. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

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

Board of Directors

- 78.** The number of directors of the Company shall not be less than three and not more than 10, of which 6 shall be nominated by Honda.

Provided that the Company at all times and at any time shall have one-woman director.

Provided that the Board, subject to the provisions of section 149 of the Act, shall have the power to appoint such number of independent directors as the Company is required to appoint under the said section.

Provided further that the Company, subject to the provisions of section 151 of the Act, may have a director elected by the small shareholders.

- 79.** Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to The Industrial Finance Corporation of India Limited (IFCI), the Industrial Development Bank of India (IDBI) and The Industrial Credit & Investment Corporation of India (ICICI) or to any other Financial Institution (hereinafter in these Articles referred to as "The Corporation") out of any loans, debenture assistance granted by the Corporation to the Company or so long as the Corporation holds or continues to hold debenture/shares in the Company as a result of underwriting or by direct subscription or subscription by private placement or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of this Company remains outstanding, the corporation shall have a right to recommend for appointment a, from time to time, any person or persons as a Director or Directors, non-whole-time, or whole-time in the event of default, as specified in any agreements/contracts/deeds/documents entered into between the Corporation and the Company or executed by the Company in favour of the Corporation (which director or directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company. On receiving such recommendation the Board, shall subject to the provisions of section 161 and other applicable provisions of the Act, appoint such a person or persons as a director or directors or whole-time director or whole-time directors, as the case may be.

The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and the Meetings of the Committee, of which the Nominee Director(s) is/are Member(s), as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

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

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

Provided further that if such Nominee Director(s) is/are officer(s) of the Reserve Bank of India, the sitting fees in relation to such Nominee Director(s) shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.

In case the Nominee Director, appointed by the Corporation is a whole-time Director, such Nominee Director shall exercise such power and duties, as may be suggested by the Corporation and approved by the Board and have such rights, as are usually exercised or available to a Whole-Time Director in the management of the affairs of the Company. Such Nominee Director shall be entitled to receive such remuneration fees commission and moneys, as may be approved by the Corporation and the Central Government.

- 80.** (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
- (b) in connection with the business of the Company.
- 81.** The Board may pay all expenses incurred in getting up and registering the Company.
- 82.** All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

Meetings of Directors

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

84. (i) Subject to the provisions of Section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

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

(iii) Subject to provisions of Section 149, the Board may appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a director during his absence for a period of not less than three months from India.

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. An alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India. If the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

(iv) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.

Proceedings of the Board

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

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

(iii) The participation of directors in a meeting of the Board may, subject to the provisions of section 108 of the Act and Rules made there under, be either in

person or through video conferencing or audio visual means.

- 86.** (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 87.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
- 88.** (i) In case of meeting of Board of Directors of the Company to appoint the Chairperson, Siel shall recommend a competent and appropriate candidate for appointment as the Chairperson to the said meeting of Board of Directors, so that the said meeting of Board of Directors can appoint him as Chairperson of the Company.
- (ii) All meeting of the Directors shall be presided over by the Chairperson, if present, but if the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be Chairperson of the meeting.
- 88.** The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body, as it thinks fit. They may, from time to time, revoke and discharge any such committee either wholly or in part, and either as to persons or purposes; but every committee so formed shall, in the exercise of the powers, so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board of Directors.

All acts done by any such Committee in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the force and effect as if done by the Board.

Subject to the provisions of the Act, the Board may from time to time fix the remuneration to be paid to any member or members of their body consisting a committee appointed by the Board in terms of these Articles, and may pay the same.

- 89.** (i) A Committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

90. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
91. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
92. Save as otherwise expressly provided in the Act, a resolution in writing, signed by majority of the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, respectively shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Borrowing Powers

93. The Board may, from time to time, at its discretion, subject to the provisions of Section 179, 180 and 186, of the Act and of these Articles, accept, deposits from members either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from the temporary loan obtained from the Company's bankers in the ordinary course of business) and then remaining outstanding and undischarged at that time exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves, not set apart for any specific purposes, the Board shall not borrow such money without the consent of the Company in General Meeting by a special resolution.

The Board may raise and secure the payment 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 receiving deposits, issue of bonds, debentures, perpetual, redeemable, debenture, stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future) including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the shareholders of the Company in respect of the amount unpaid for the time being on the shares held by them, without the previous sanction of the Company in General Meeting.

Subject to the provision of the Act, and these Articles, debentures, debenture stock, bond or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, attendance at General Meeting of the Company, allotment of share, appointment of Directors and otherwise, Debentures, debenture stock, bond 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 debenture/debenture stock, loan/loan stock with the right of conversion into equity shares, shall not be issued except with the sanction of the Company in General Meeting.

Subject to the provisions of the Act, if the Directors or any of them or any other person shall incur or be about to incur any liability or become personally liable, whether as principal or as surety, for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of Indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Power of Directors

- 94.** Without prejudice to the general powers conferred by the foregoing Articles and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions and provisions contained in the Articles and the Act, it is hereby declared that the Board shall have the following powers, that is to say, power:
- (a) To pay subject to the provisions of section 181 of the Act, donations to any individuals or institutions or contribute to any charitable, religious, benevolent, national, political, public or general and other funds not directly related to the business of the Company or the welfare of its employees,
 - (b) To authorise or empower any Director or Managing Director or Secretary or any other officer of the Company either by name, in virtue of office or otherwise or any other person or persons, either singly or jointly to exercise or perform all or any of the powers, including the power to sub-delegate authorities and duties conferred or imposed on the Board by way of these Articles subject to such restrictions and conditions, if any, and either generally or in specific cases as the Board may think proper.
 - (c) To appoint and at their discretion, remove or suspend such officers, by whatever designation called managers, engineers, experts, legal advisors, solicitors, clerks, agents, salesmen, workmen and other servants or professionals, for permanent, temporary or special services as the Board may from time to time think fit and determine their duties, fix their salaries,

emoluments and delegate to or confer upon them such powers, including the power to sub-delegate authorities and discretions as the Board may think fit.

- (d) To provide for the welfare of employees or ex-employees or Directors or ex-Directors of the Company and the wives, widows and families of the dependant or connections of such persons, by building or contributing to the building of houses, dwelling or by grants of moneys, pensions, gratuities, allowances, bonuses or other payments; or by creating and from time to time subscribing or contributing to provident fund and other funds, associations, institutions or trust and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit.

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

95. Subject to the provisions of the Act —

- (i) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

96. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, Company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, Company secretary or chief financial officer.

The Seal

97. (i) The Company may have a seal and the Board shall provide for the safe custody of the seal

- (ii) The seal of the Company, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and subject to the provisions of the Act and Rules made thereunder, except in the presence of at least one director or of the secretary or such other person as the Board may appoint for the purpose; and the director and the secretary or other

person aforesaid shall sign every instrument to which the seal of the Company is so affixed in his presence.

Dividends and Reserve

- 98.** The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 99.** Subject to the provisions of the Act, the Board may from time to time declare and pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.
- 100.** (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 101.** (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 102.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares or other securities of the Company.

- 104.** (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post or courier directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 105.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 106.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 107.** No dividend shall bear interest against the Company.

Chairperson, President and Whole Time Director

- 108.** (i) The Company shall have one Chairperson and one President, both of whom shall be elected by the Board from among the Directors, and the period for which each of them is to hold office shall be determined by the Board.
- (ii) The Chairperson shall be non-executive and hold an honorary office of the Company. The President shall be the Chief Executive Director (CEO) of the Company. The President only shall have the legal right to manage the day-to-day business and affairs of the Company and to singly represent the Company and sign, on behalf of the Company, bills, cheques, contracts, agreements and any other documents, and shall, subject to superintendence, control and direction of the Board, have the right to exercise such power of management of the Company as may be delegated to him by the Board from time to time.
- (iii) The Directors may also elect one or more Whole Time Directors, for terms not exceeding 5 years and subject to such contracts (if any) as they may think fit.
- 109.** Subject to the provisions of the Act and these Articles, neither the President nor any Whole Time Director shall, while he continues to hold the office, be subject to retirement by rotation but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to be a President or a Whole Time Director if he ceases to hold the office of the Director from any cause.

Accounts and Audit

- 110.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.
- 111.** (i) The Company shall retain an internationally recognized Accounting firm as Auditors of the Company.
- (ii) The Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139-148 of the Act.

Secrecy Clause

- 112.** Every Director, Auditor, Secretary, Officer, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with the individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when permitted by Board of Directors or by Law or by the person to whom such matters relate except when permitted by the Board or a Committee of the Board and except so far as may be necessary in order to comply with any of the provisions of these Articles.
- 113.** No member shall be entitled to visit the Company's premises without the permission of the Board or a Committee of the Board or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of the trade or secrets process, which may relate to the conduct of the business of the Company, and which in the opinion of the Board, it will be inexpedient in the interest of the Company to disclose.

Winding Up

- 114.** Subject to the provisions of Chapter XX of the Act and rules made there under —
- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

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

Indemnity

- 115.** 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.